



Organic Food: Understanding the consumer and increasing sales



Soil Association



Canolfan Organig Cymru
Organic Centre Wales



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Understanding the consumer and increasing sales

A marketing guide for Welsh organic businesses based on consumer research conducted by Taylor Nelson Sofres

Executive Summary

Background

This report is based on research by Taylor Nelson Sofres (TNS), commissioned by the Soil Association and supported by the Welsh Development Agency and Organic Centre Wales to explore the attitudes and buying behaviour of organic consumers. The aim of the research, conducted in January and February 2003, was to increase understanding of consumer motivations in order to promote organic food more effectively and increase sales. The aim of this report is to summarise the research for the benefit of Welsh organic businesses and provide them with practical pointers for their marketing.

Methodology

TNS analysed the buying behaviour and attitudes of 15,000 households using its Superpanel database and conducted a further, more detailed opinion survey in which they interviewed 4,000 people in their homes.

Key findings

- The market relies heavily on the purchases of a committed minority of 'heavy buyers' and sales through three leading retailers. Tesco, Waitrose and Sainsbury's account for 70 per cent of organic food sales, and just 23 per cent of organic consumers account for 84 per cent of spending.
- Most lighter organic buyers are probably buying organic products 'accidentally' rather than consciously buying organic. The most important consumers for growing the market are the medium and heavy buyers whose motivations indicate a positive attitude towards organic food
- Heavy buyers tend to be older and better off than the UK population average, and most live in London and the South East. This is a discerning and self-confident group of consumers, much more likely to regard themselves as connoisseurs of food and wine, to seek out eco-friendly products and to read the ingredients on packs before buying.
- The two most important motivations driving organic consumers are taste and health. There is a direct correlation between the extent to which consumers believe in the health and taste benefits of organic food and the number of categories they buy into.

- Taste and food safety concerns are the main factors in persuading people to try organic food for the first time and in encouraging buyers to increase their spending. But light consumers only become medium consumers – serious organic shoppers – when they also are persuaded of the positive health, environmental and animal welfare benefits of eating organic.
- A combination of delivering good-quality and great-tasting organic lines to medium consumers while communicating to them the food quality benefits in detail (ie pesticide and additive avoidance and higher nutrient content) may well be the key to expanding the body of heavy consumers.
- Among non-buyers, price is the main barrier to purchase, although one in seven non-buyers cites not having enough information to justify the price premium.
- Fruit and vegetables are the main entry point to organic purchasing. From there consumers tend to graduate to eggs and dairy products, then packaged grocery products, then meat and soft drinks.
- Most people first find out about organic food from a television programme or press article.
- Sixty per cent of organic consumers are more likely to buy organic food if it originates from the UK, compared to 1 per cent who are less likely to buy UK products and 38 per cent for whom it does not really matter.
- Motivation towards locally sourced products within the UK is generally not as strong as motivation towards UK products – with the exception of Wales, Scotland and the East Midlands, where support for local food is even stronger than support for UK produce generally.

Key recommendations for marketing

- Tell the organic story: communicate product origin and all the diverse benefits of eating organic through promotional literature and on-pack information, encouragement of farm visits, building of contact with journalists
- Market and deliver on taste: ensure products meet consumer quality expectations, promote the full flavour of organic produce, organise promotional tastings
- Hit the consumer hotspots: focus marketing spend on medium and heavy consumers, the south east and the top three multiple retailers
- Keep it simple: don't neglect to tell consumers how they identify organic products and how 'organic' differs from 'free range' and 'natural'
- Highlight health: communicate the highly motivational health benefits as far as advertising restrictions allow
- Make connections: link up with appropriate charities to accentuate wildlife and other benefits; exploit the typical sequence of buying by promoting eggs and dairy to fruit and veg consumers, meat to dairy consumers
- Exploit the Welshness of your product within Wales but highlight the Britishness elsewhere in the UK

1 Introduction

The organic market in the UK has grown rapidly in recent years and is now one of the biggest in the world, with annual sales of around £1 billion. To sustain this growth it is important for those producing and marketing organic food to understand what motivates organic consumers and how they might be persuaded to buy more.

In 2002 the Soil Association set out to help in this task by commissioning market research specialists Taylor Nelson Sofres (TNS) to conduct a detailed study of organic consumer attitudes and buying behaviour. That study, funded by the Soil Association, the Welsh Development Agency and the South West Regional Development Agency, was completed in March 2003. This booklet has been written to communicate the key points of the research to organic businesses in Wales and provide useful pointers for future marketing strategy.

2 Research objectives

The aim of the Organic Purchasing Triggers research study conducted by TNS was to explore 'triggers and barriers' in relation to the purchase of organic products:

- What are the triggers that motivate people to buy organic food for the first time?
- What motivates them to 'trade up' to buy a wider range of organic food and/or increase their overall spending?
- How do motivations differ for specific categories such as organic fruit and vegetables, or dairy products, or beef?
- What can we learn from the attitudes and motivations of the most committed organic consumers?
- What are the main barriers preventing those who are not buying organic food from doing so?
- How important is the issue of country or region of origin for those buying organic products?

3 Research approach

This is not the first time research on the organic market has examined either consumer attitudes (through opinion polling) or buying behaviour. What is distinctive about the Organic Purchasing Triggers initiative is the extent to which it studied both attitudes and buying behaviour in a single project and mapped the two areas together to develop a more rounded analysis of consumer motivations.

Buying behaviour and associated attitudes were explored by analysing data from the TNS Superpanel, a group of 15,000 households who are each issued with palmtop screening devices to scan every purchase they make. TNS examined the spending of Superpanel households on organic products as a whole and also in eight specific categories: fruit and vegetables; beef; bread, pasta, cereals and

other grocery; lamb; pork, chicken and bacon; fruit juice and soft drinks; dairy products; and eggs. Data on spending was compared with attitudinal data derived from a questionnaire that TNS sends out to all members of the Superpanel twice a year. This questionnaire achieves a response rate of around 80 per cent and consists of 104 questions in the form of statements relating to shopping, family, sales promotions and other lifestyle issues. Respondents have to say whether they agree or disagree (or neither) with each statement made.

TNS also carried out an omnibus opinion poll, conducting face-to-face interviews with 4,000 over-16s in their own homes. The subjects for these interviews were carefully selected to ensure that they were the principal shoppers in their respective households and that they formed a representative sample demographically of the UK population.

4 Organic market snapshot

4.1 Market growth and household spending

TNS Superpanel data suggests that the organic market grew by 7.8 per cent in the year to January 2003. This compares with a 4.9 per cent growth rate for the food and drink sector as a whole for the same year and a 23.2 per cent growth in organic food sales quoted by TNS for the year to January 2002.

Growth to January 2003 was driven by existing consumers buying more frequently and spending more each time rather than by attracting new consumers. Penetration (the proportion of households buying some organic food during the year) fell slightly from 80 per cent to 77.7 per cent. Average weight of purchase (the average amount spent in a year per organic shopper) rose by 10.2 per cent to £32.44. Organic consumers bought organic food an average of 12.8 times a year (up 2.3 per cent) and the average spend per shopping trip was up 7.8 per cent at £2.53.

Organic grocery products (54.7 per cent of households buying) and organic fruit and vegetables (54.3 per cent) are the most popular categories. Organic dairy products are bought at some time during the year by 37.2 per cent of households, fresh and frozen meat by 15.6 per cent and other frozen foods by 11.5 per cent.

The Soil Association's Organic Food and Farming Report 2003 puts the total market for organic food and drink at £1.015 billion in the financial year 2002–03, compared to an estimated £98 billion spent on food and drink as a whole. This means that the organic market represents 1 per cent of the total food and drink market.

4.2 Category trends

Meat is the fastest growing area of the organic market. TNS data shows sales of lamb up 212.3 per cent up in the year to January 2003, and beef up 53.1 per cent. Only pork, chicken and bacon failed to match the trend, with sales 0.9 per cent down. Dairy sales are up 13.4 per cent and grocery up 9.2 per cent. Fruit and vegetable sales and egg sales are both up slightly – by 1.3 per cent and

1.7 per cent respectively – while fruit juice and soft drinks sales have dipped by 0.5 per cent.

4.3 Retailer shares

Tesco, Sainsbury's and Waitrose are the three dominant retailers in the organic market, accounting for 70 per cent of all organic food sales between them. TNS data shows Tesco and Sainsbury's neck and neck in January 2003, each with 27.8 per cent market share, followed by Waitrose with 14.7 per cent. All three 'overtrade' in organic food, which means they have a bigger proportion of the organic food market than they do of the market for food and drink as a whole. Of the three Sainsbury's has shown the strongest rate of growth in organic food in the year to January 2003 at 20.4 per cent, compared to 5.9 per cent for Tesco and 9 per cent for Waitrose. Asda (13.1 per cent) and Marks and Spencer (15.4 per cent) are the only other major retailers with double-digit growth rates.

None of the 'big three' organic retailers has a large number of stores in Wales, but their dominance of the UK market is a particularly important consideration for Welsh organic businesses marketing their products outside Wales.

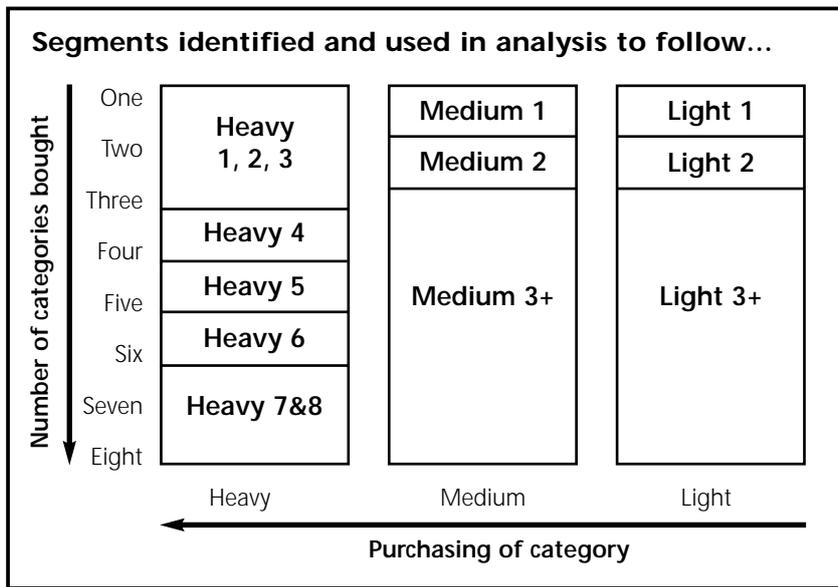
5 Consumer spending analysis

5.1 The importance of heavy buyers

For the purpose of its Superpanel analysis, TNS divided organic consumers into three categories – heavy, medium and light. Heavy buyers were the top 20 per cent of all organic consumers in terms of annual spending, light buyers were the bottom 50 per cent and medium buyers were the 30 per cent in between. It found that the market was skewed heavily towards heavy consumers, with just 23 per cent of buyers accounting for 84 per cent of total spend.

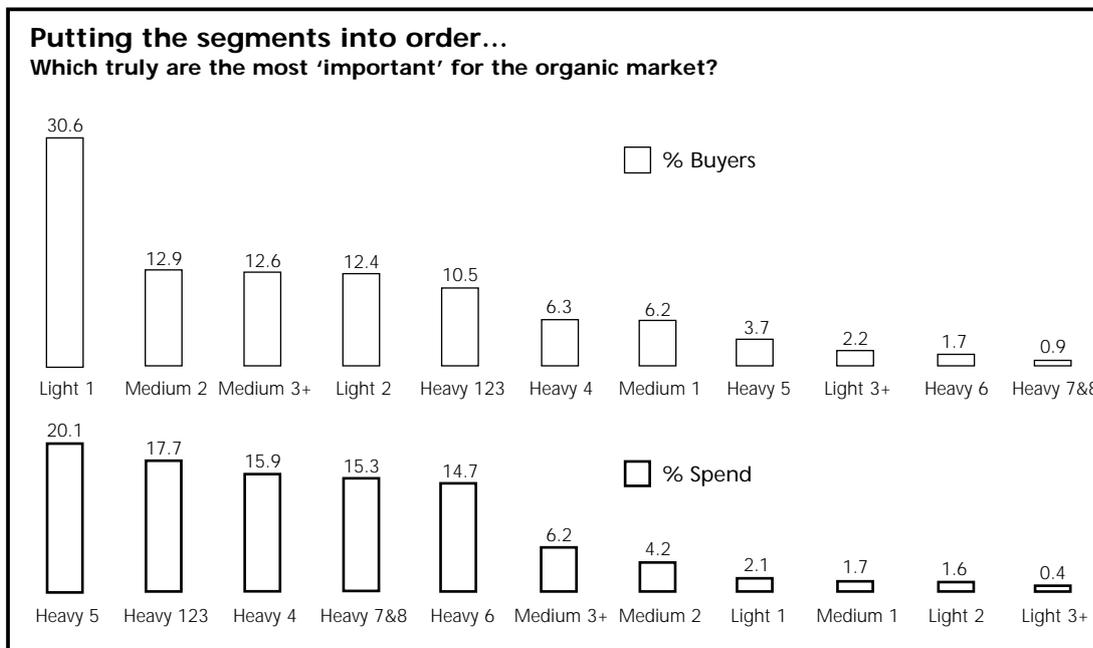
A further segmentation was made into 11 sub-categories according to the number of organic food categories each consumer was buying into – see Figure 1. Under this method a consumer spending relatively little on organic food overall and buying just two categories (eg dairy products and eggs) would be categorised as a 'Light 2' consumer while someone spending heavily and buying in five different categories would be a 'Heavy 5'. TNS defined three sub-categories for light buyers (Light 1s, Light 2s and Light 3+), three for medium buyers (Medium 1s, Medium 2s and Medium 3+) and five for heavy buyers (Heavy 1,2,3; Heavy 4s; Heavy 5s; Heavy 6s; and Heavy 7&8s). They found that the biggest single segment in terms of numbers of people was the Light 1s, representing nearly one in three organic consumers. But this group accounted for only 2.1 per cent of total spend.

Figure 1



The most significant single category in terms of volume of spend was the Heavy 5s, who represented only 3.7 per cent of all organic consumers but accounted for 20.1 per cent of total organic sales – see Figure 2.

Figure 2

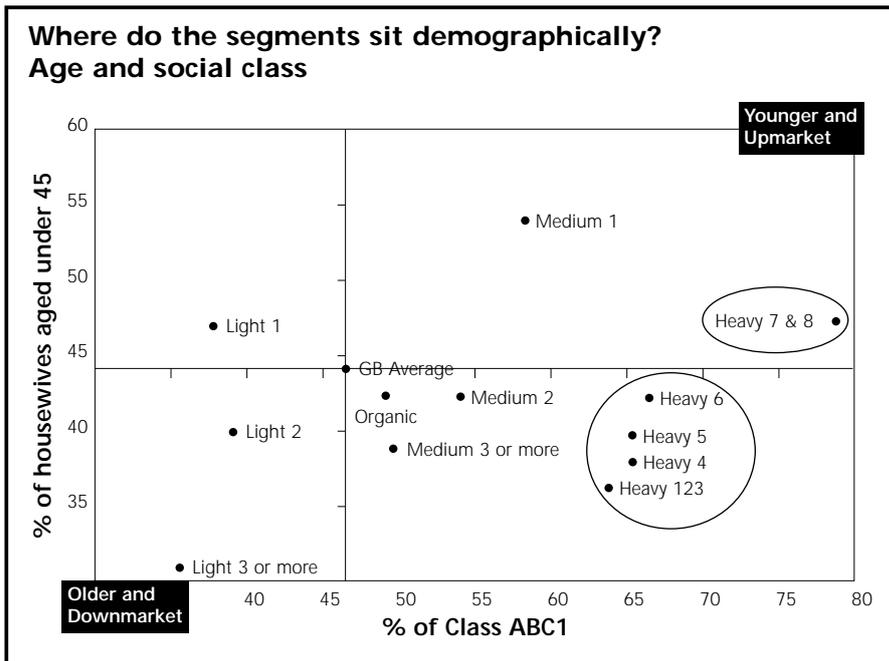


Once they had defined these categories and sub-categories, TNS used attitudinal and demographic data to help define what characterises consumers in each sub-category. Their aim was to identify any subtle changes in motivation, outlook and understanding that develop as consumers buy more organic food, in order to help the Soil Association and organic businesses to consider how to move consumers up from one category to the next. They took a particularly close interest in the five sub-categories of heavy buyers on the basis that this was the segment organic businesses would most want to understand and grow.

5.2 Age, class and family characteristics

The research showed that heavy organic consumers generally tend to be older and more upmarket than the average UK shopper. Over two-thirds of them are in social classes A, B or C1, compared to under 50 per cent in the population at large – see Figure 3.

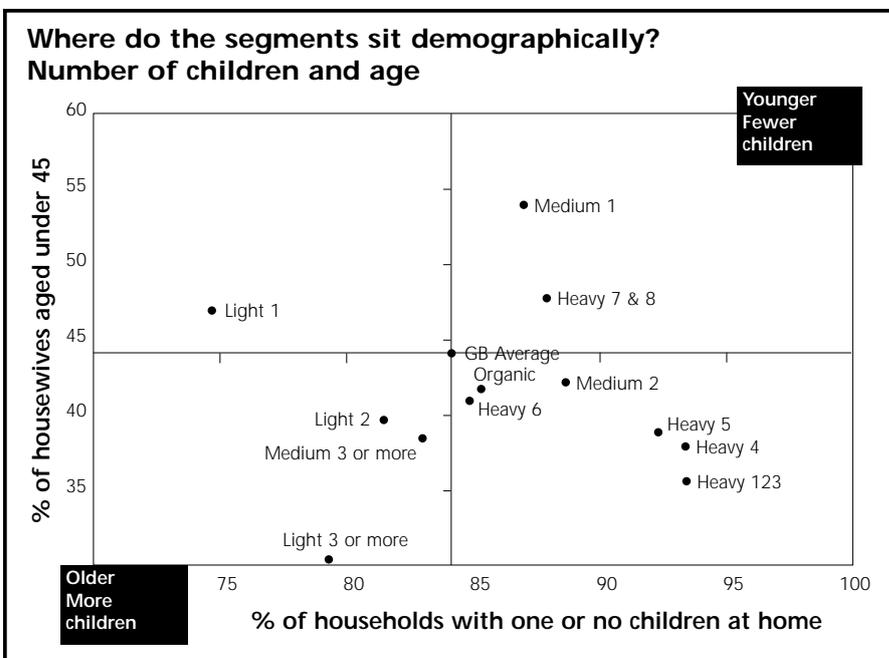
Figure 3



Heavy consumers are also likely to have fewer children: over 90 per cent of heavy 1,2,3s, heavy 4s and heavy 5s have one child or none, compared to under 85 per cent in the general population – Figure 4. This shows the extent to which the price premium may be a barrier to some less affluent consumers with more mouths to feed.

Those promoting organic food have been most successful in enlisting the support of an older, better off, better educated public, while enjoying less success with encouraging younger families with less disposable income.

Figure 4



Having said this, the Heavy 7&8s category bucks the general trend – it is the most upmarket category of all in terms of the proportion of consumers in the

ABC1 bracket but it has a slightly younger profile than the GB population average. This is believed to be because of the fashionable appeal of organic food to a young, affluent, professional class in the Greater London area.

5.3 Where do the heavy buyers live?

Spending among the Heavy 6s and the Heavy 7&8s is heavily skewed towards London and the South East. In the food and drink market as a whole London accounts for only 20 per cent of spend but it accounts for 50.4 per cent of spending by Heavy 6s in the organic market.

5.4 Where do the heavy buyers shop?

As one would expect given their pre-eminence in the market as a whole, Tesco, Sainsbury's and Waitrose are very dominant among heavy buyers – see Figure 5. They account for 81.5 per cent of all spending by Heavy 6s and 84.9 per cent of spending by Heavy 7&8s.

No other retailer manages a 10 per cent share of any of the heavy buyer segments. When it comes to medium and light buyers, however, the Waitrose share dwindles and Asda assumes third or even second place – see Figure 6. More is spent by Light 1s in Asda than in Sainsbury's.

Figure 5

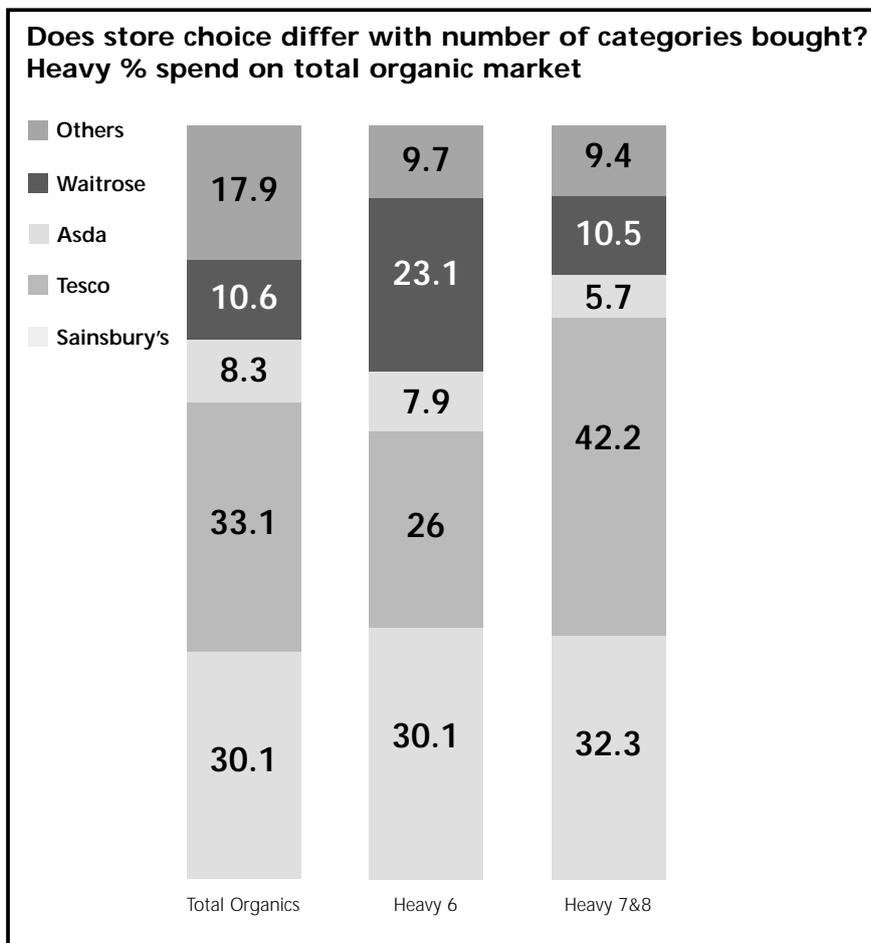
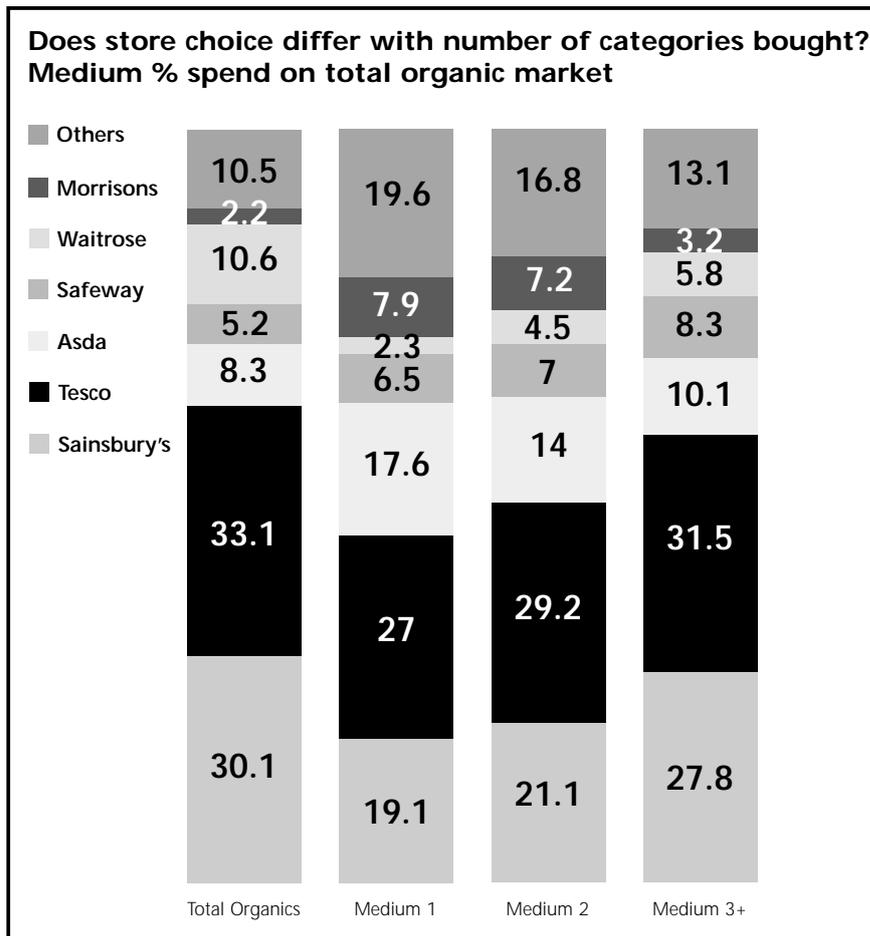


Figure 6



5.5 Understanding the attitudes of the different sub-categories of consumers

Attitudinal questioning of Superpanel consumers enables us to determine where attitudes are much more prevalent among a group of consumers than among the population at large. The strongest agree statements for the various categories of organic consumers indicate the following typically strong interests and lifestyle choices:

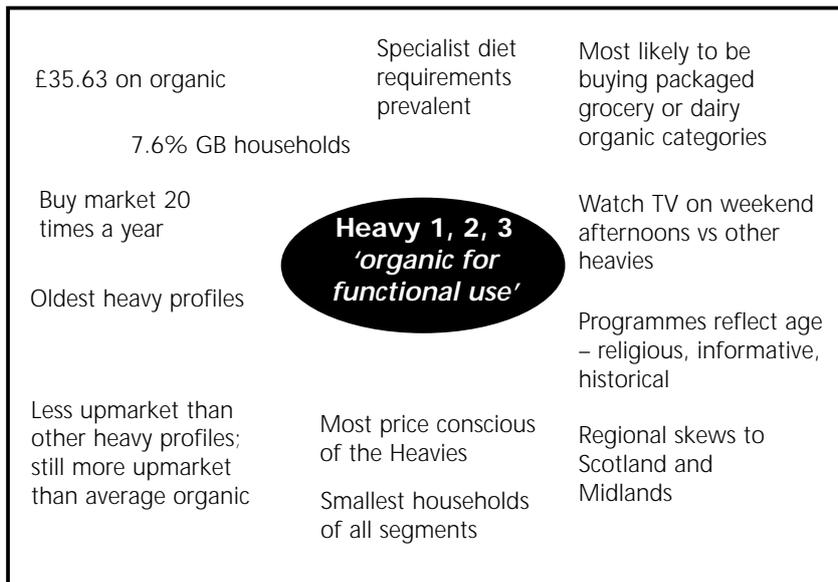
- Light organic consumers are more likely than the average consumer not to be worried about eating healthily and more likely to enjoy snack foods. They have a higher-than-average tendency to be working to a strict budget when shopping for food and a greater tendency to shop around for the best prices. A third of them consider price to be the single most important factor when buying a product. Not enough of them say they are prepared to pay more for organic food for this to register as one of the most significant views held more widely in this group than in the population at large.
- Medium organic consumers also enjoy snack foods more than the average consumer. They are more likely than most shoppers to eat out regularly (29.1 per cent say they do), to be on a special diet as a result of medical advice,

to prefer their local shops to supermarkets and to enter competitions on food labels. The proportion saying they are prepared to pay more for organic food is 36.9 per cent

- As one would expect it is among heavy consumers that positive statements about organic food register repeatedly among the top 20 agree statements that indicate where the views of a particular group most strongly differ from the population average. This group are much more likely to be willing to pay more for organic food, to buy it whenever they can, to regard it as healthier and of better quality. This is a discerning and self-confident group of consumers, much more likely to regard themselves as connoisseurs of food and wine, to seek out ecofriendly products and to read the ingredients on packs before buying. Both heavy and medium organic consumers are significantly more likely than the general population to be influenced as to which supermarket they shop in by whether there is a fresh fish counter and the availability of a loyalty card scheme.

As well as revealing these predilections among light, medium and heavy buyers, TNS has provided more detail on the various sub-categories of heavy buyers – see Figures 7–11. Each of these illustrations shows how many UK households are represented by the sub-category, the average amount they spend on organic food, which types of organic food they tend to buy more of than other groups, their television watching habits and their general attitudes. This kind of information can be useful in enabling informed targeting of a particular group of consumers to promote a particular product.

Figure 7



Heavy 1,2,3s are more likely than other heavy buyers to be on a special diet, shopping to a budget, into snacks/eating on the run and influenced by television advertising. They are more likely than other 'heavies' to watch television on weekend afternoons and to like religious, historical and informative programmes.

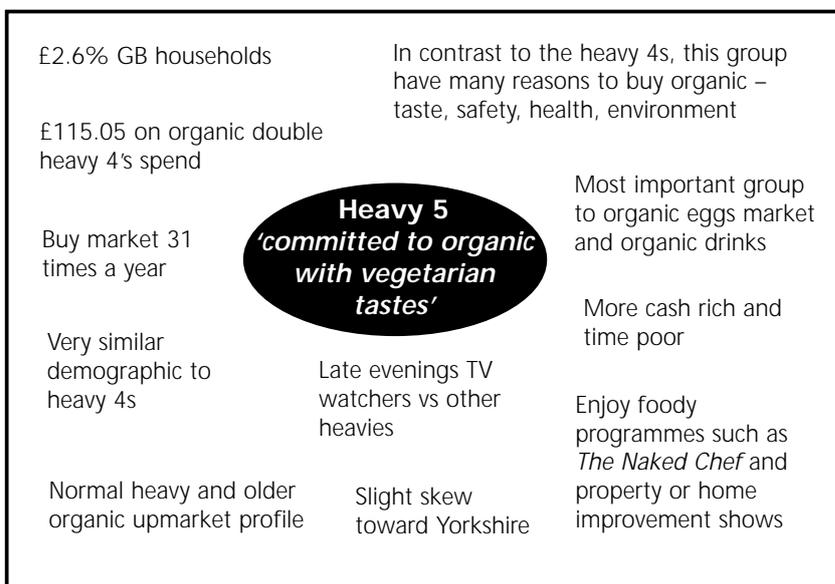
Heavy 4s are a contradictory bunch who are more likely not to worry about the future than other heavy buyers but are also more likely to be avoiding caffeine and salt and to be concerned about food safety (which is their most significant organic purchasing motivation). They tend to be older and more upmarket. They are more likely to watch television late at night and on Sunday afternoons and like current affairs, war and adventure films, comedy and drama.

Figure 8



Heavy 5s are more generally health conscious, showing a more strongly positive response than average on the agree statements 'I'm often on a diet to lose weight' (29 per cent), 'I am worried about the safety of non-organic food' (38 per cent) and 'I should do a lot more about my health' (45 per cent). They are more likely to buy well-known brands and to have little spare time (57 per cent 'hardly ever have any spare time on my hands'). They also tend to be older and more upmarket. They are more likely to watch late-night TV and to enjoy foodie, property and home improvement shows. They are the single most important group for the organic egg market.

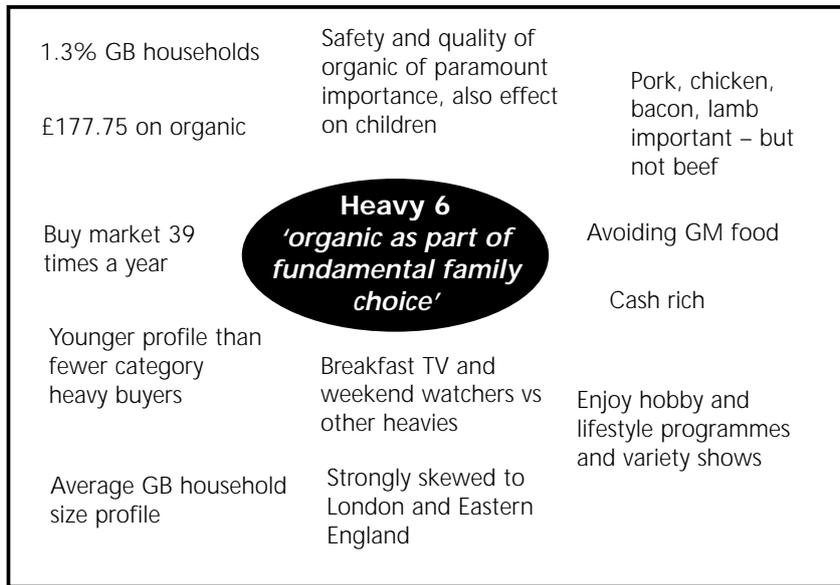
Figure 9



Heavy 6s over-index on interest in child health

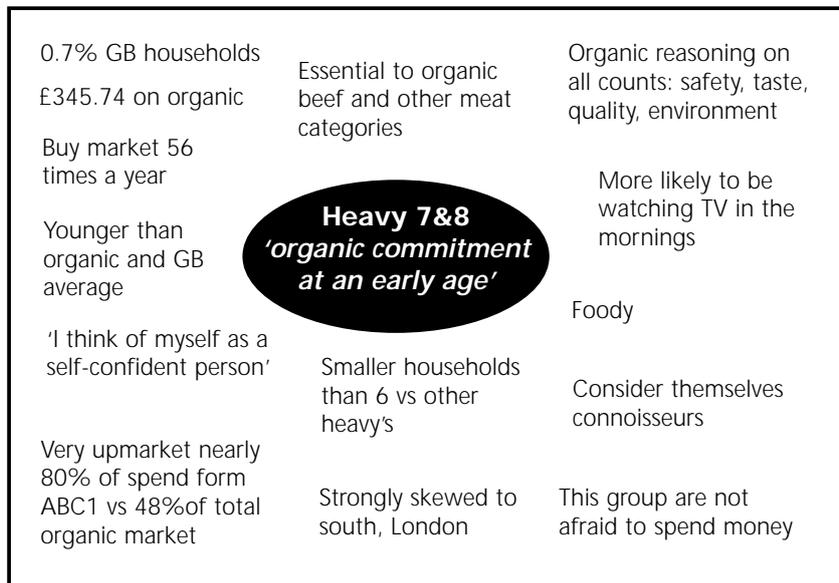
(67 per cent agree that 'organic foods are safer for children'), actively avoiding GM food (75 per cent) and general health consciousness (36 per cent 'always choose food for health reasons' and 47 per cent are 'worried about the safety of non-organic food'). They tend to be more impulsive – more likely to overspend on credit cards and to buy something just because they see it on shelf. Food safety and quality are their primary organic motivators. They are more likely to watch weekend and breakfast television and to enjoy hobby and lifestyle programmes and variety shows.

Figure 10



Heavy 7&8s are more foodie (28 per cent regard themselves as connoisseurs of food and wine), very upmarket (80 per cent ABC1) and younger than average. They are marginally less motivated than the Heavy 6s by the taste and environmental benefits of organic food but just as concerned about food safety and health. They are more likely to respond to special offers and competitions. They are more likely than the average consumer to be watching television in the mornings.

Figure 11



5.6 Consumer attitude analysis

For the omnibus survey – face-to-face interviews with 4,000 consumers in their homes – TNS divided up its sample in a different way. Instead of three groups of consumers (light, medium and heavy) there were four – very light, light, medium and heavy. It should be noted that this segment of the research is based on claimed buying (what respondents say they do) rather than actual buying (what barcode scanning shows they really do).

The very light, light, medium and heavy categories for this were defined using a system that gives each consumer a composite score of between zero and 300. These composite scores were calculated by assigning a mark for every consumer's consumption of each of the eight organic food categories featured in this

research project. The formula for each category mark was to multiply together a figure denoting frequency of purchase of a given category and the figure representing the proportion of the organic market that that category represents.

For example, fruit and vegetables represent 31 per cent of total sales when the sales of all eight categories are added together, so someone eating organic vegetables would register for that particular category a mark of 31 multiplied by a figure between zero and three according to frequency of purchase – 0 for never, 1 for occasionally, 2 for mostly and 3 for almost always.

The maximum possible overall mark is 300, which represents a base score of 100 for buying into all eight categories – ie 100 per cent of the market – multiplied by a score of three for highest frequency of purchase ('almost always') in all eight categories. Those scoring 201–300 were classed as heavy buyers, with medium buyers scoring 101–200, light buyers 51–100 and very light buyers 1–50.

5.7 Claimed organic buying

While the Superpanel expenditure analysis showed that three quarters of households had made an organic purchase in the previous year, 52 per cent of those sampled in the opinion poll said they never bought organic food. This discrepancy between claimed behaviour and actual buying suggests that around a third of those buying organic food are doing so incidentally rather than consciously. Organic lines are increasingly being mixed in with non-organic lines in stores, so it is easy to buy an appealing, competitively priced or attractively packaged product that is organic without intending to make an organic purchase.

This means that strictly speaking, under 50 per cent of consumers should be regarded as true (ie conscious) organic consumers. This would explain why there is little of organic import – and plenty that is contrary to an organic mindset – in the general attitudes of 'light' organic consumers summarised above: most of these people could well be 'incidental' organic consumers.

5.8 Attitudes to organic food benefits in the population at large

The TNS omnibus survey shows that the following percentages of people agree strongly or slightly with these various statements related to organic food:

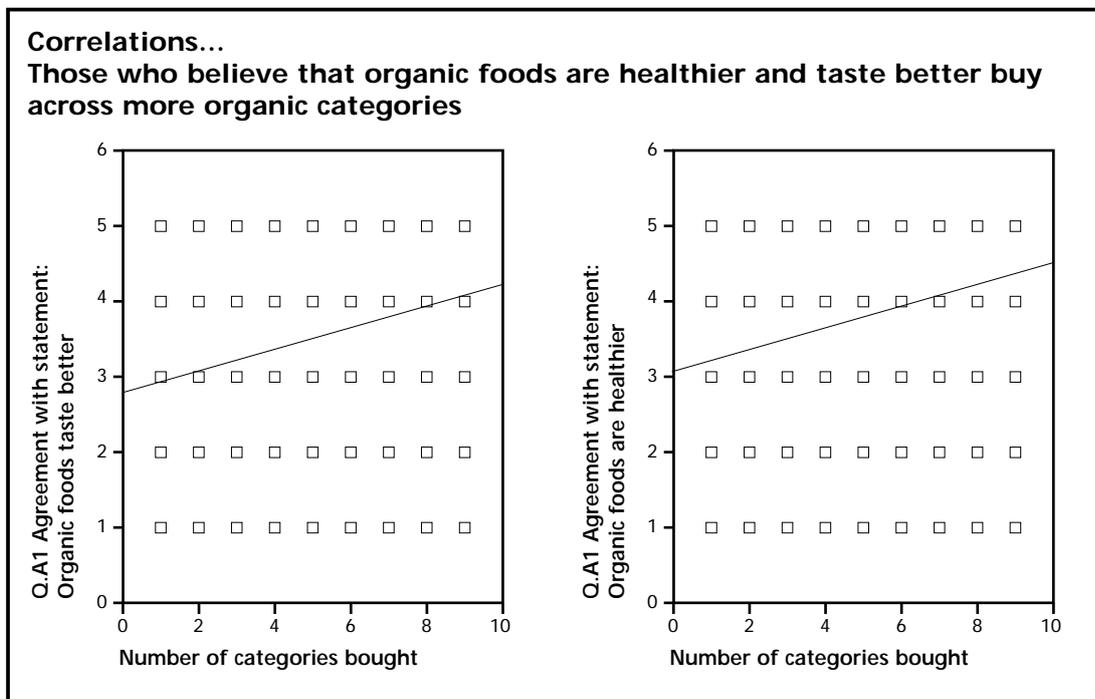
- 'Farmers use too many chemicals these days' 68%
- 'Organic foods are friendlier to the environment' 59%
- 'Organic foods mean better animal welfare' 50%
- 'Organic foods are healthier' 49%
- 'Organic foods are safer' 43%
- 'I trust organic food' 43%
- 'Organic foods are better quality' 39%
- 'Organic foods taste better' 34%.

It is interesting to relate these percentages to the 48 per cent who positively assert that they buy organic food. Belief in the environmental benefits organic farming delivers (59 per cent of consumers) appears not to translate reliably into a readiness to buy organic food, as it seems that about one in five who believe in environmental benefit still do not buy organic products. When it comes to the more 'selfish' arena of health, however, it would appear that virtually all those who recognise a health benefit (49%) buy the product. Market penetration and overall sales are likely to increase if the health arguments can be convincingly argued and more widely disseminated.

5.9 The influence of health and taste perceptions on purchasing

Data analysis by TNS suggests that the two most important factors driving increased purchasing of organic food are health and taste. The two graphs within Figure 12 show that there is a strong link between belief in the health and taste benefits of organic food and the number of categories consumers buy into. As the proportion believing in the health and taste benefits increases, so does the number of categories purchased. Further 'multi-dimensional mapping' of data reveals that better taste is the single most important influence on increasing consumption – see Figure 13.

Figure 12



that consumers expect organic food to taste different and to taste better, and the more it delivers in this area the better it will be for the future prospects for market growth.

Figure 13



5.10 Reasons for not buying

Unsurprisingly, price is identified by half of all non-buyers of organic food as the main reason why they do not buy it. The only other reasons to figure significantly are not believing organic products taste better (15 per cent), not having enough information to justify the extra cost (14 per cent) and not believing organic food offers any health benefits (9 per cent).

5.11 Entry points to the market

Fruit and vegetables (55 per cent tried them before any other category) are the main entry point to organic purchasing. All the other categories have more people saying they bought them fourth or later in sequence than saying they bought them first or second.

Eggs and dairy products are the second most likely category to be tried first, although there are some doubts over the reliability of this finding in relation to eggs – the research appears to indicate some confusion between free range and organic eggs.

The typical 'cycle of adoption' – the order in which consumers buy into different organic categories – is fruit and vegetables, then dairy and eggs, then grocery, then meat and soft drinks.

5.12 Identifying organic food

Respondents were specifically asked how they identify organic products. Fifty-two per cent said they looked for the word 'organic' on the label, which is encouraging because it means more people than are actually buying organic food (48 per cent according to this poll) know how to identify it correctly.

Eleven per cent (presumably mainly non-purchasers) would look for the word 'natural' to identify an organic product and 21 per cent don't know how to identify organic food. There is clearly still a need for basic information about identifying organic food to be included in marketing messages.

As purchasing levels increase there is a greater tendency to go to specialist outlets (eg farm shops and farmers' markets) and to regard the certification logo as an important identifier of organic products.

5.13 Finding out about organic food

Media coverage is the way most people first find out about organic food – either television (25 per cent) or print (also 25 per cent). Advertising comes next (20 per cent), followed by in-store promotions (18 per cent) and 'from a family member' (14 per cent). Figure 14 shows the relative importance of these channels of communication for different organic food categories, with the exception of lamb, which is excluded from the table because the sample of buyers within the poll was too small to be statistically reliable in this context.

Figure 14

TV coverage appears to have influenced initial purchase of organic eggs								
	Total	Dairy products	Eggs	Beef	Pork, Chicken	Packaged foods	Fruit juice	Fruit and vegetables
From an article	25	31	28	16	25	30	11	23
From a TV programme	25	24	32	9	25	27	19	25
Advertising	20	17	20	37	29	34	35	19
Promotions in shop	18	25	11	19	23	22	24	18
From a family member	14	12	10	22	11	2	18	17
From a book	3	2	2	0	0	3	0	4
From a health professional	2	3	1	8	4	3	9	2
Don't know	9	5	8	0	14	2	0	7

Significant difference, 95% confidence
 NB Lamb excluded due to small base size
 Q. B4 How did you first find out about organic...
 Base: All organic shoppers

Print media coverage is particularly influential in relation to dairy and grocery consumption; television coverage in relation to eggs; advertising for beef, grocery and fruit juice; shop promotions for dairy products and fruit juice; and family influence for beef.

5.14 How motivations change as buying increases

Figures 15 and 16 are useful summary tables charting the proportions of consumers who are motivated by a wide range of possible motivating factors for buying organic food, from medical advice through to avoiding GM ingredients. The first of these tables shows how the strength of motivations differs between different organic categories. The second shows how motivations change as consumers graduate from light to heavy buying.

Figure 15

Better taste and safer food are the main general drivers of organic purchasing. Concern about animal welfare has encouraged purchase of organic eggs								
	Total percentage	Dairy products	Eggs	Beef	Pork, Chicken	Packaged foods	Fruit juice	Fruit and vegetables
Organic would taste better	24	23	27	23	31	23	17	25
Concerned about food safety	22	23	24	18	12	23	25	23
Wanted to reduce exposure to pesticides	18	16	12	24	20	26	14	20
I was concerned about GM	15	12	14	23	24	17	20	16
I was concerned about pollution	15	13	13	12	18	19	20	15
Organic farming produces better quality foods	15	17	12	6	16	20	31	14
Concerned about animal welfare	14	11	22	12	15	15	11	13
Organic food higher in vitamins and minerals	10	12	8	21	5	20	16	11
I had developed understanding of organic approach	9	8	9	6	5	18	3	10
For my children	8	7	5	2	5	10	22	8
Medically advised	6	11	5	10	1	19	3	4
I got to know a local organic farmer	5	3	6	5	9	2	6	5
None	11	11	6	15	7	12	8	11
Don't know	10	6	9	12	8	4	4	10

 Significant difference, 95% confidence
 Q. B5 Factors influenced decision/
 Q. B3 Products tried first
 Base: All organic shoppers

The second table indicates that to become medium purchasers (ie to become conscious organic consumers – the 101–200 column – rather than incidental shoppers), consumers tend to take on board a wide range of issues. They are motivated most strongly by food safety, but quality, GM avoidance, pesticide avoidance, animal welfare, taste and environmental pollution are also important influences.

Other key points to note:

- To a lesser extent medical advice and the higher nutrient content of organic food both play a part – medium consumers show significantly higher motivation in relation to these factors than light purchasers. It is clear that there is a complex web of influences combining to persuade people to eat organic food, and organic businesses need to try to provide information and encouragement in all these areas of motivation.
- Among heavy purchasers (the 200–300 column) taste and food safety remain important and indeed they are the most significant factors, cited by 23 and 27 per cent of heavy consumers respectively. Other factors such as animal welfare, GM and the environment are less important to this group than they are to medium consumers.
- Reflection on these findings has led to two possible conclusions as to why this apparent tailing off in ‘green motivations’ should occur among heavy consumers. One is that the figures for heavy consumers may be skewed by the attitudes of style-conscious younger shoppers who are an important segment of the Heavy 7&8s on Superpanel – people who may be buying because it is the fashionable thing to do in certain circles without necessarily having a sophisticated understanding of what organic food is. Another possible explanation is that once consumers get to a particular level of buying it becomes more of a ‘second nature’ commitment, with original motivations internalised and less to the fore.

Figure 16

Those who buy most organic foods are not necessarily as concerned about pollution/GM/animal welfare as others who actually buy less					
	Total	1-50	51-100	101-200	201-300
Believed organic food would taste better	24	20	27	23	23
Concerned about food safety	22	14	22	29	27
Wanted to reduce exposure to pesticides	18	9	16	26	22
Organic farming produces better quality food	15	9	16	18	16
I was concerned about pollution	15	7	12	26	15
I was concerned about GM	15	7	16	22	16
Concerned about animal welfare	14	10	12	21	16
Organic food higher in vitamins and minerals	10	5	12	14	10
I had developed understanding or organic approach	9	3	8	18	11
I decided I should buy organic for my children	8	4	7	10	9
Medically advised to eat organic	6	4	5	9	7
I got to know a local farmer	5	4	5	6	8
None	11	21	10	2	9
Don't know	10	18	7	5	9

Significant difference, 95% confidence
 Q. B5 Factors influenced decision
 Base: All organic shoppers

While wishing to avoid oversimplifying a complex piece of research, it is possible to reach the following broad conclusions:

- Concerns about food safety and the prospect of better tasting food are the most influential factors for very light and light organic consumers. Taste and safety remain fundamentally important throughout the spectrum of organic purchasing.
- Light consumers become medium consumers - serious organic shoppers - when they are also persuaded of the positive health, environmental and animal welfare benefits of eating organic.
- These factors are still important influences for heavy consumers but less so than for medium consumers. The main influences for heavy consumers are again taste and food safety, including concerns about pesticides, but this group is also characterised by being relatively unconcerned about price issues (cf Superpanel attitudinal research above) which means there is less of a dilemma about spending more.
- A combination of delivering good-quality and great-tasting organic lines to medium consumers while communicating to them the food quality benefits in detail (pesticide and additive avoidance) may well be the key to expanding the body of heavy consumers.

6 Attitudes to particular product categories

For all eight categories of organic food included in this research, consumers were asked "which, if any, of the following do you think apply to these products" to ascertain their primary motivations to purchase. The list of options presented was:

- They taste better
- The quality is better
- I have to use them for medical reasons
- They're more healthy
- They're safer
- I want to avoid GM ingredients
- Animals are better cared for on organic farms
- They're better for the environment
- They contain fewer chemicals
- None.

The balance between these motivations differs between categories, but health, food safety and taste are consistently near the top of the list – joined or even superceded by animal welfare in the case of meat and eggs. Protecting the environment and avoiding GM ingredients tend to be less significant motivations and medical advice the least significant of all.

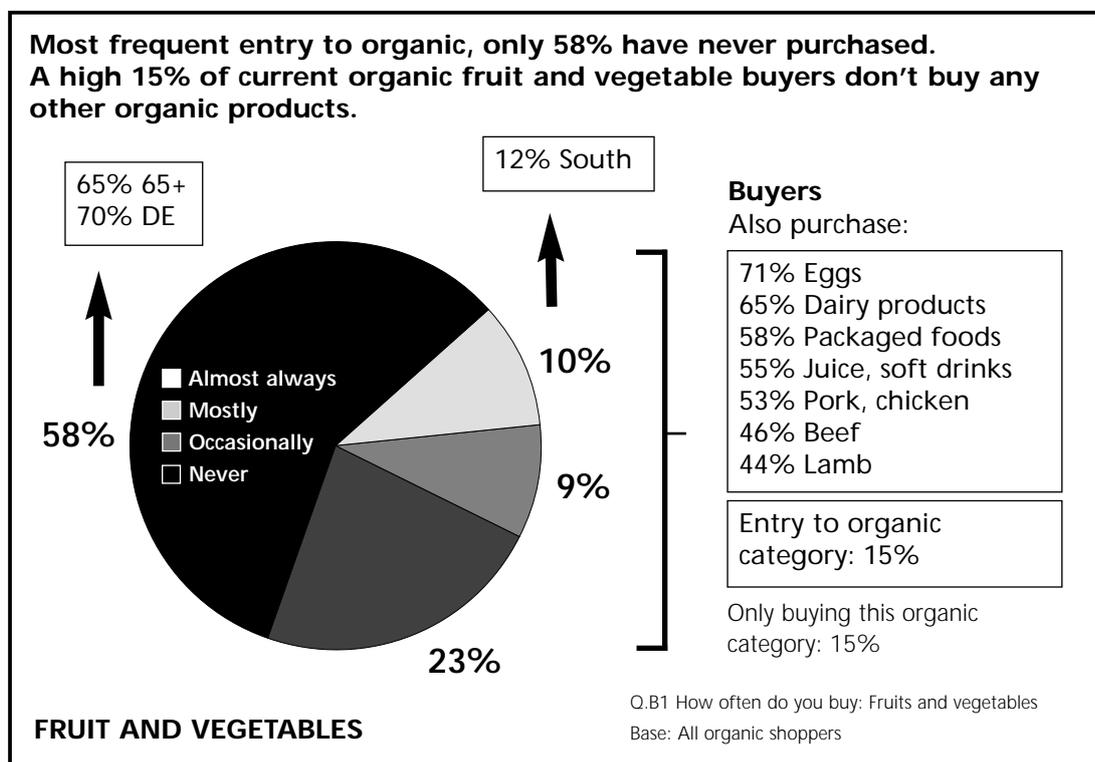
6.1 Attitudes to organic fruit and vegetables – figure 17

Forty-two per cent of consumers say they buy organic fruit and vegetables, with 19 per cent saying they do so ‘mostly’ or ‘almost always’.

Their top motivations for doing so are better taste (40 per cent), fewer chemicals (37 per cent), health (36 per cent), food safety (34 per cent), better quality (30 per cent).

Perceptions about organic fruit and vegetables being of better quality and safer are significantly higher among heavy purchasers. Medium buyers are more likely than heavy buyers to be influenced by issues of care for the environment, animal welfare and avoiding GM ingredients.

Figure 17

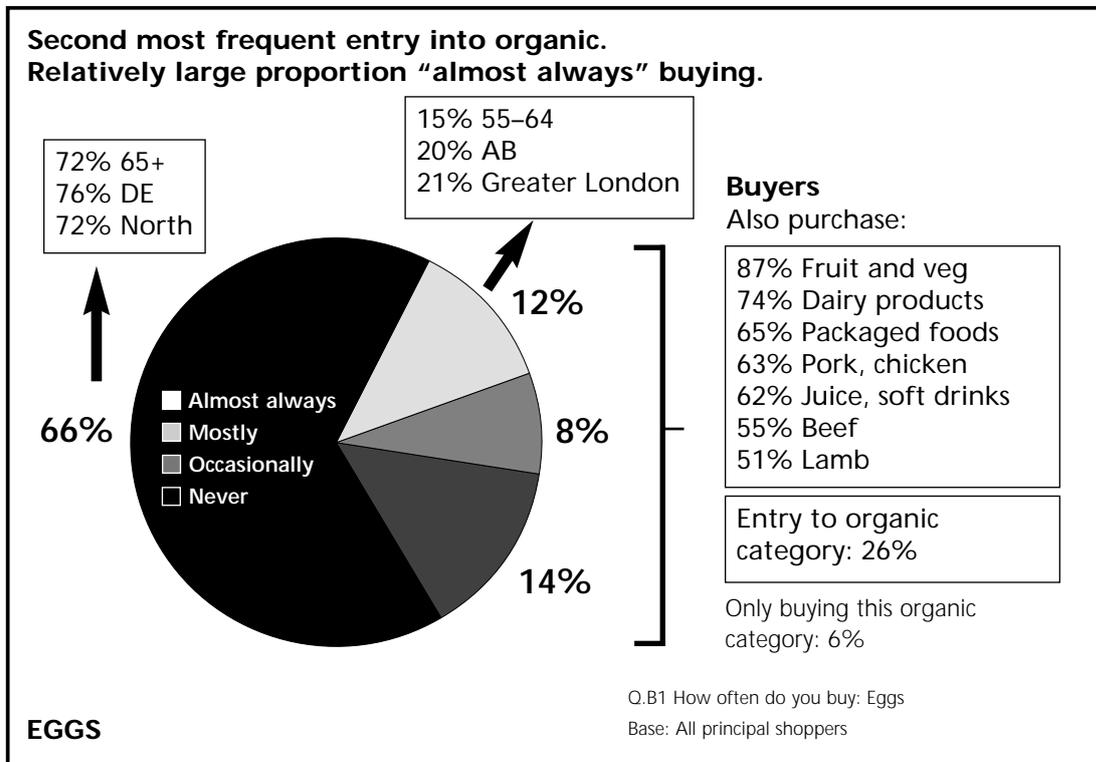


6.2 Attitudes to organic eggs – figure 18

The omnibus survey component of this research suggests eggs are the most frequently purchased organic product, with 12 per cent of shoppers almost always buying, and a further 22 per cent either buying mostly or occasionally. But this finding on claimed purchasing is not consistent with the figures for actual buying elsewhere in the research. This suggests rather a lot of people may be buying free range eggs when they think they are buying organic, either confusing the two or equating one with the other. This is clearly a priority area for publicising what is distinctive about the organic product and how it can be identified.

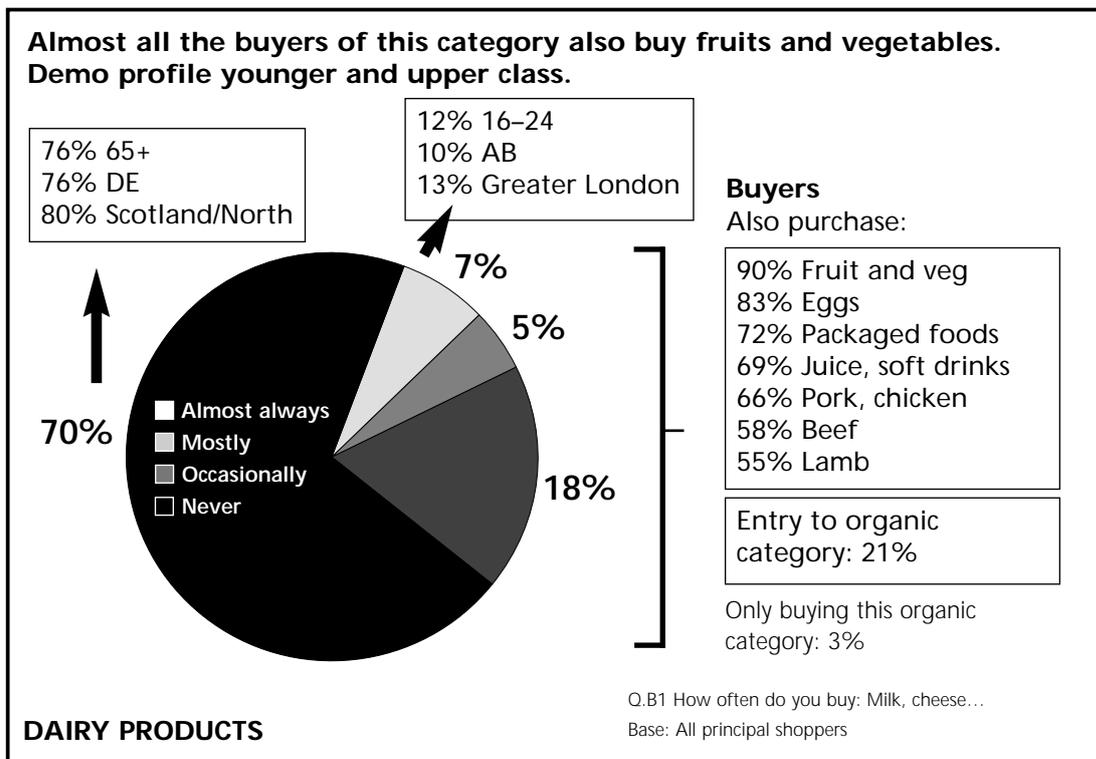
Egg buyers are more likely than the average organic consumer to have been influenced by television programmes. This shows the influence of programmes such as Free as a Bird, as battery chicken production has probably been subject to more critical media exposure than any other form of intensive farming.

Figure 18



A significantly high proportion of egg buyers are motivated by animal welfare concerns, more so among medium buyers than among heavy buyers. The importance of health as a motivator to purchase increases as spending on

Figure 19

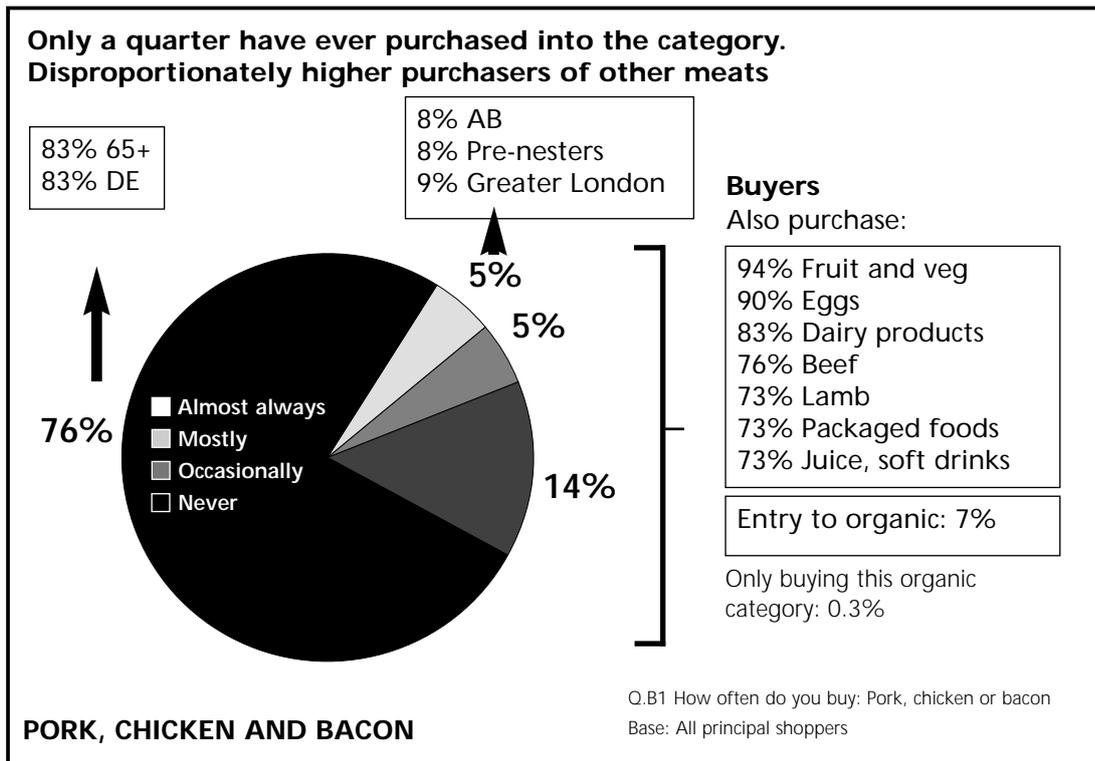


organic eggs increases. The top motivating factors for organic egg buyers, in descending order of importance, are animal welfare (43 per cent), taste (37 per cent), quality (32 per cent), food safety (31 per cent) and health (29 per cent).

6.3 Attitudes to organic dairy products – figure 19

Seven per cent of consumers say they almost always buy organic dairy products, and this rises to 13 per cent in Greater London. Their top motivations are health (46 per cent say organic dairy products are more healthy), food safety (34 per cent), taste (33 per cent), the environment (29 per cent), food quality (28 per cent) and avoiding GM ingredients (26 per cent). Dairy consumers are more likely than the average organic consumer to have been influenced by a press article or a shop promotion. Quality is a key factor in driving consumers into heavy purchase.

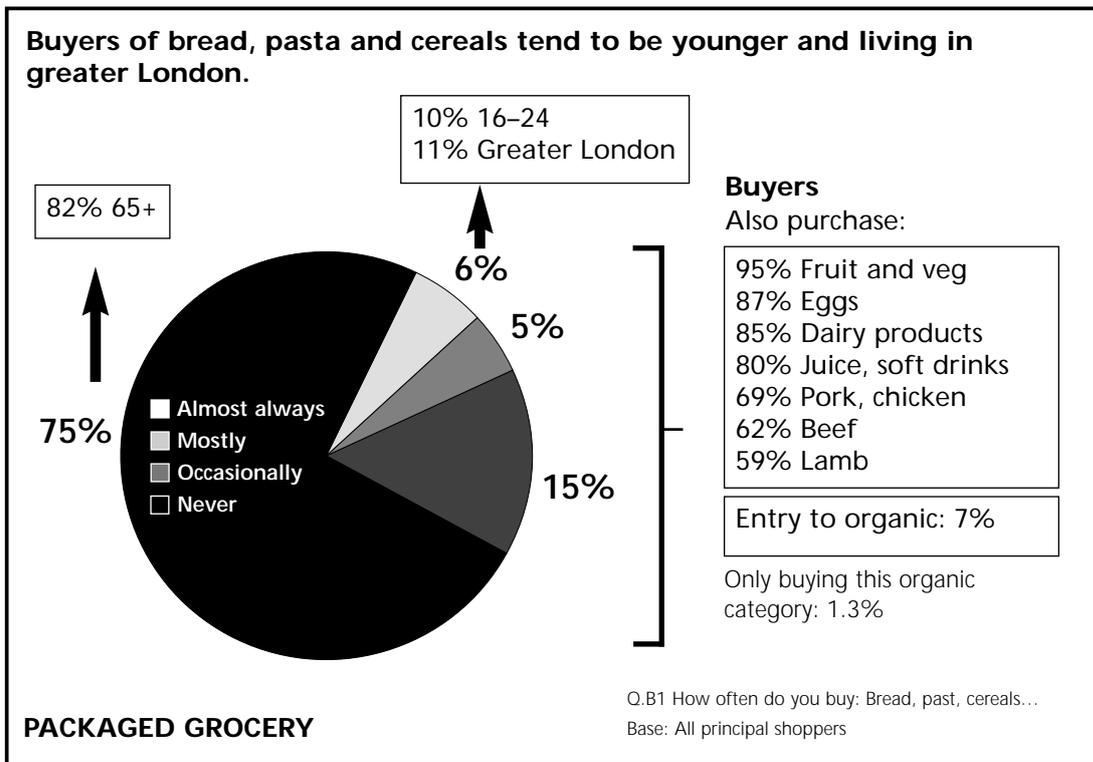
Figure 20



6.4 Attitudes to organic pork, chicken and bacon – figure 20

Health and animal welfare are the top motivators for the light buyers. But medium buyers believe more strongly than the lights that organic pork and chicken are safer and tastier and the animals better cared for. For organic consumers as a whole the top-rating motivations for buying organic pork, chicken and bacon are taste (40 per cent), animal welfare (35 per cent), food safety (33 per cent), food quality (31 per cent) and health (30 per cent).

Figure 21



6.5 Attitudes to organic grocery products – figure 21

Grocery purchasers are more likely to have been influenced by a press article or advertising than the average organic consumer. A significantly high proportion of consumers compared to other categories cite pesticide and pollution concerns, medical advice and higher vitamins/minerals as beliefs/motivators.

Grocery consumers tend to be younger and are also more likely to be living in London. The main difference between medium and light buyers is that the mediums are more significantly motivated by GM, additive avoidance and care for the environment. Significantly more heavy buyers than medium consumers believe that organic foods taste better and are safer. The sequence of top-ranking motivations for organic grocery purchasers as a whole is taste (35 per cent), health (32 per cent), food safety (30 per cent), food quality (26 per cent) and avoidance of additives (24 per cent).

6.6 Attitudes to organic fruit juice and soft drinks – figure 22

Fruit juice buyers are more likely than the average consumer to have been influenced by advertising or shop promotions. They are almost all (96 per cent) organic fruit and vegetable purchasers. A significantly high proportion of purchasers cite pollution, better quality products and the health of children as motivators. TNS says quality and additive avoidance plus not sacrificing taste are the main drivers for increasing purchasing. The top motivating factors for organic fruit juice buyers as a whole are taste (34 per cent), health (31 per cent), quality (30 per cent), additive avoidance (27 per cent) and food safety (24 per cent).

Figure 22

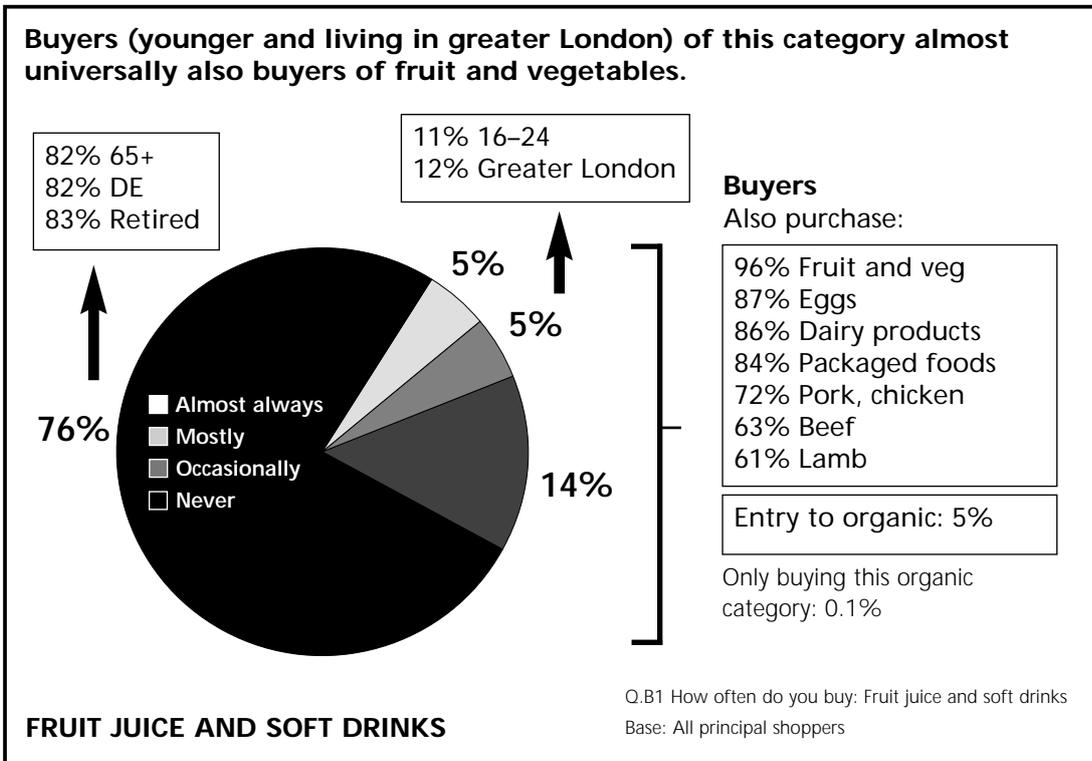
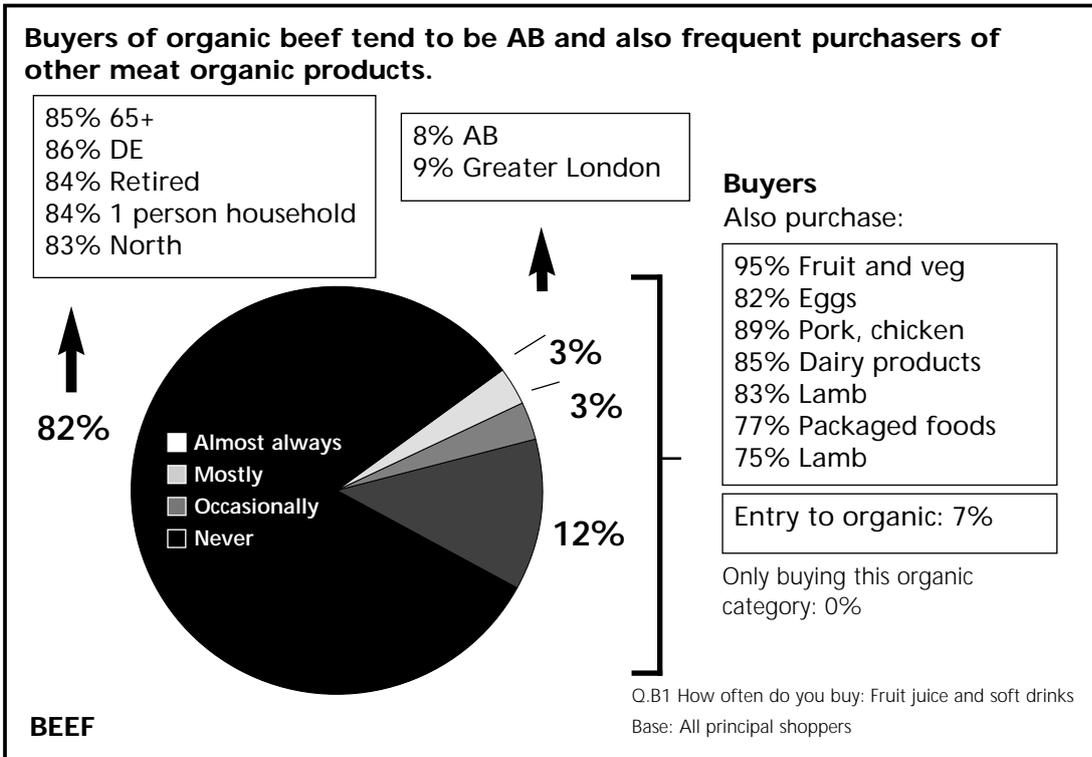


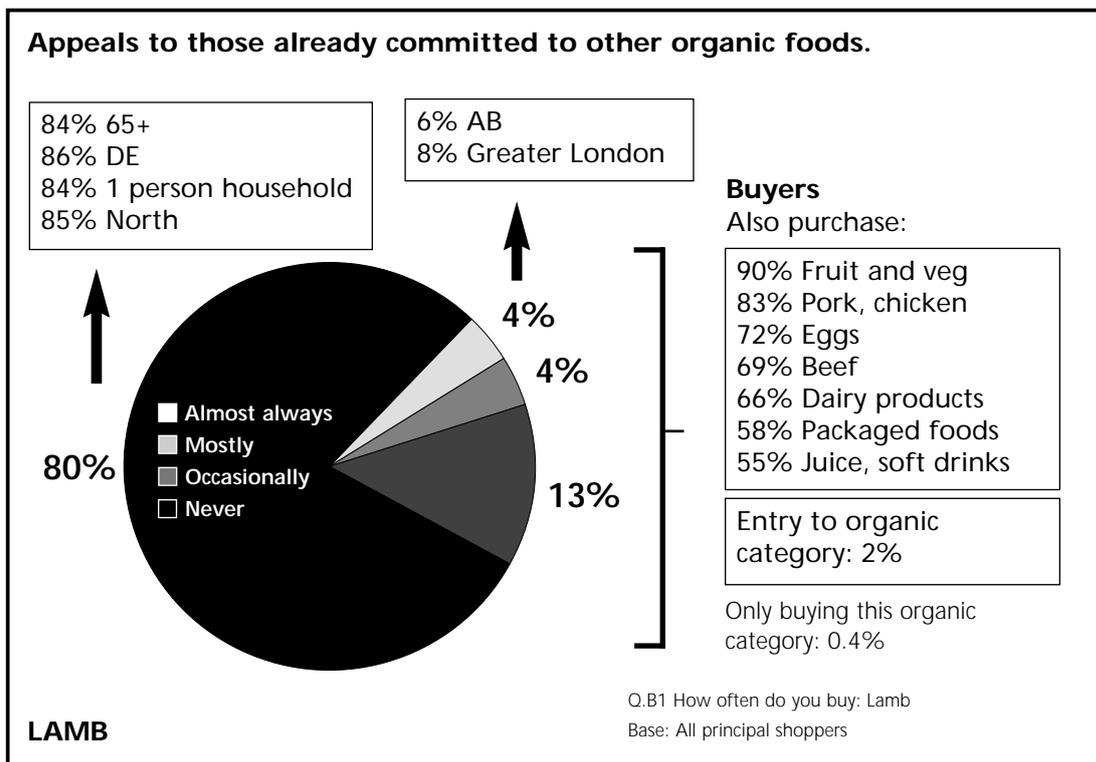
Figure 23



6.7 Attitudes to organic beef – figure 23

Beef consumers are more likely to have been influenced by advertising or a family member than the average organic consumer. A significantly high proportion of buyers cite concerns about GM and pollution and belief in higher nutrient content as motivators. Beef buyers tend to be AB by social class and frequent buyers of other organic meats. Presumably because of BSE, beef is often the last of the eight categories in this research that consumers buy into. Animal welfare is an important issue in increasing consumer commitment, as medium buyers tend to be much more aware of the animal welfare benefits than light consumers. The top-ranking motivations for organic beef consumers in general are taste (38 per cent), food safety (35 per cent), food quality (31 per cent), plus health and animal welfare (both 29 per cent).

Figure 24



6.8 Attitudes to organic lamb – figure 24

A higher proportion of medium than of light purchasers of organic lamb acknowledge better taste, animal welfare and environmental benefits and avoidance of GM. The proportion citing these influences then dips among heavier buyers. The main motivations of organic consumers as a whole are taste (38 per cent), animal welfare (31 per cent), food safety and quality (both 30 per cent) and health (29 per cent).

6.9 Attitudes to UK and local sourcing – figures 25 and 26

Do consumers know where in the world their organic food comes from, and do they care? According to this research, the answers to these two questions are 'no' and 'yes' respectively.

Figure 25

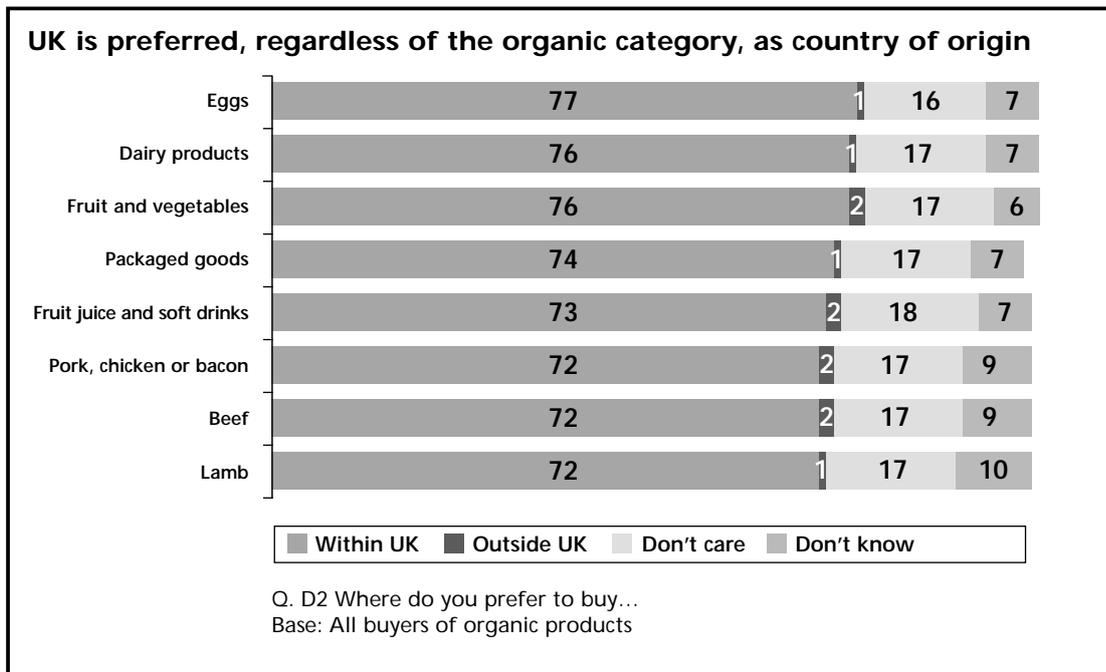
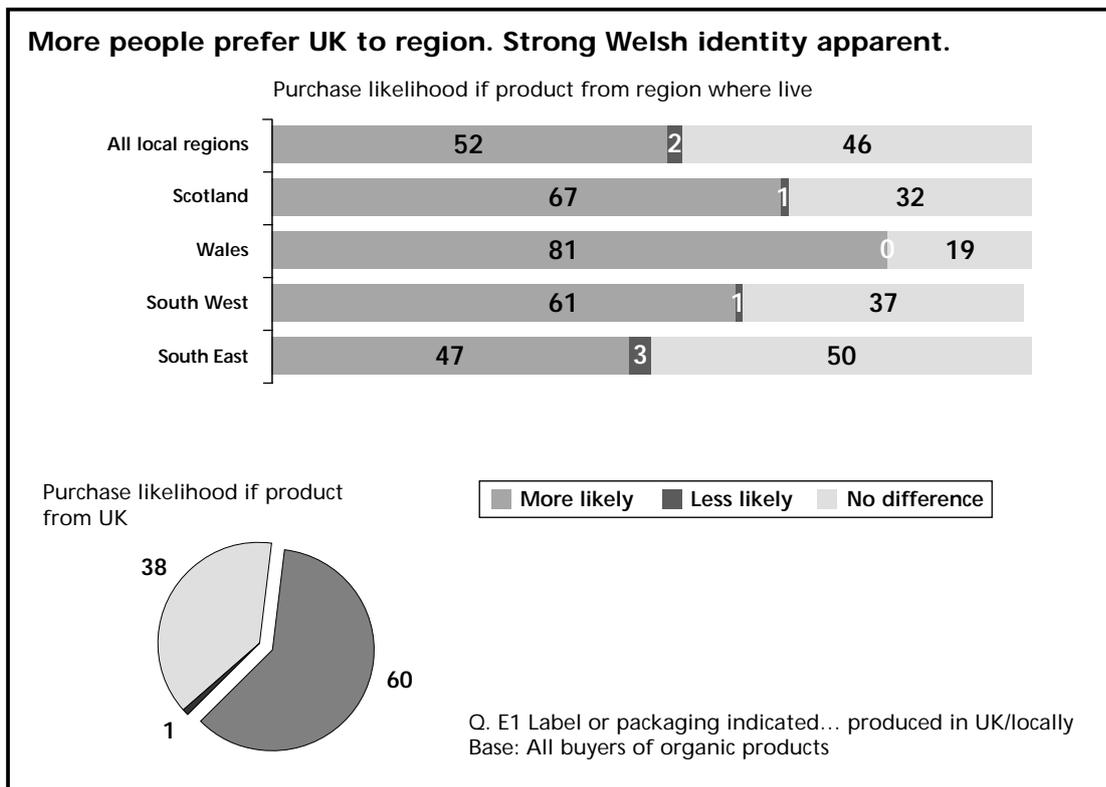


Figure 26



TNS found that over 40 per cent of buyers in all categories of organic food did not know if the food they were buying was from the UK or not. There was a strong preference, however, for UK organic products. Around one in six don't

Figure 27

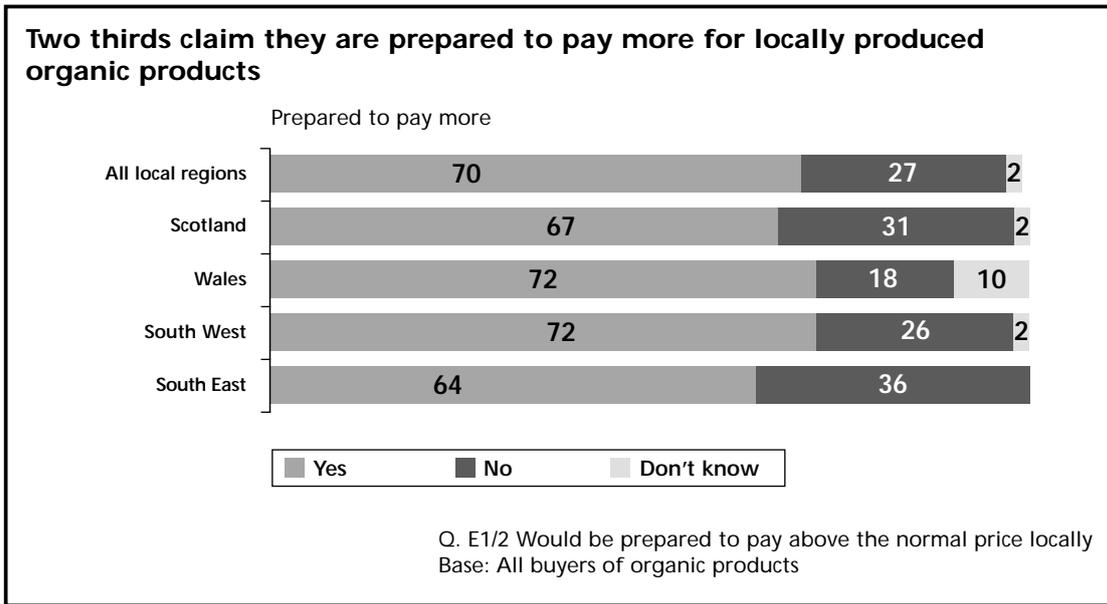
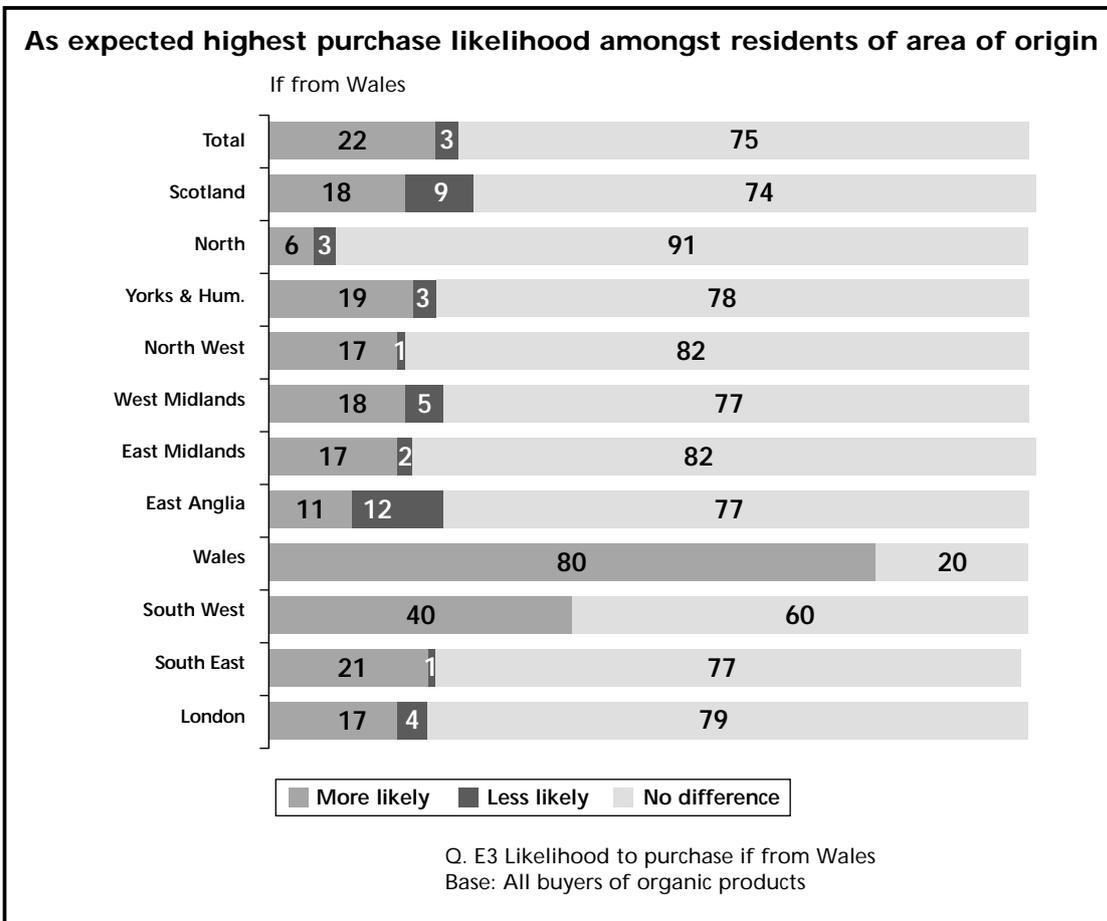


Figure 28



care where their organic food comes from but three-quarters prefer it to come from the UK.

Sixty per cent said they would be more likely to buy organic food if the packaging indicated that it came from the UK. Only 38 per cent said it would make no difference and a tiny 1 per cent said they would be less likely to buy identifiably UK-sourced products.

Motivation towards locally sourced products within the UK (52 per cent are more likely to buy them) is generally not as strong as motivation towards UK products (which 60 per cent are more likely to buy) – with the exception of Wales, Scotland and the East Midlands where the support for local food is even stronger than support for UK produce generally.

Among those more likely to buy local produce, a significant majority say they are prepared to pay more for local food, ranging from 64 per cent in the south east to 81 per cent in the north. The figure for Wales is 72 per cent.

6.10 Attitudes to organic food from Wales – figures 27 and 28

As one might expect, a high proportion of Welsh consumers are more likely to buy organic food if it originates from Wales – 80 per cent to be precise. Twenty per cent said Welsh origin would make no difference to the likelihood of purchase, while no one surveyed said they would be less likely to buy if produce were Welsh.

There is also reasonable appeal for Welsh produce elsewhere in the UK – on average 22 per cent of people said they would be more likely to buy organic food if it were from Wales, compared to only 3 per cent saying they would be less likely to buy. Seventy-five per cent said it would make no difference. Within the average figure there is considerable regional variation, from the north at the worst extreme where only 6 per cent were more likely to buy Welsh products, to the south west where 40 per cent professed to being more likely to buy if products were Welsh.

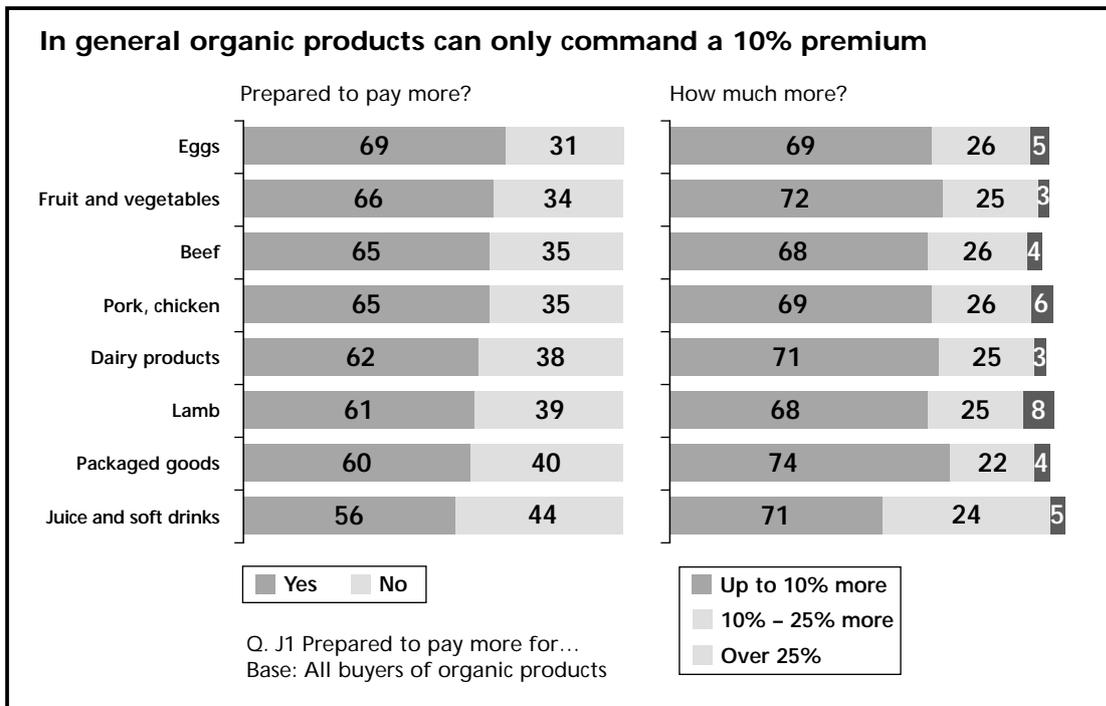
Although on balance consumer attitudes to Welsh food are clearly positive, for those outside Wales the fact that organic food is UK produced is a stronger motivator (60 per cent are more likely to buy if the product is British; only 22 per cent if it is from Wales).

6.11 Attitudes to the organic premium – figure 29

The researchers asked whether consumers were prepared to pay more for organic food, and tested the level of premium they were comfortable with. They found that certain categories command more acceptance of a premium than others. Two-thirds or more of organic consumers are prepared to pay more for organic eggs, fruit and vegetables, beef and pork/chicken. Fewer are prepared to do so for dairy (62 per cent), lamb (61 per cent), grocery (60 per cent) and soft drinks (56 per cent).

Among those saying they are prepared to pay a premium, between 68 and 74 per cent (according to category) are prepared to pay up to 10 per cent more. Between 22 and 26 per cent are prepared to pay 10-25 per cent more. Only a small minority are prepared to pay more than this.

Figure 29



6.12 Vegetarians and organic food

This research shows that there is a higher prevalence of vegetarianism among organic consumers than in the general population. There is at least one vegetarian in 7.1 per cent of UK households, but this rises to 8.5 per cent among organic consumers. Furthermore, the more organic consumers spend and the more categories they buy into, the higher the tendency for there to be a vegetarian in the household. Among heavy 1,2,3s 15 per cent of households have a vegetarian; among heavy 4s it is 15.6 per cent and among heavy 5s 17.3 per cent. This suggests that vegetarians are more likely than the general population to buy organic food, presumably because of the animal welfare benefits. There is real scope for expanding sales of the non-meat categories of organic food by targeting vegetarians with information about the animal welfare benefits of the organic system.

7 Organic consumers and the media – what are they watching and reading?

The Superpanel analysis conducted by TNS has provided a wealth of detailed information about which television and radio stations and which print media are favoured by different sub-categories of organic consumers. Some of these findings have already been referred to above among general observations about light, medium and heavy consumers.

Organic consumers as a whole are less likely than the average viewer to watch BBC1, ITV1 and Channel Five and significantly more likely to watch BBC2 or

Channel 4. They are marginally less likely to watch television generally, with the exception of the 8-10.30pm weekdays and 6-10.30pm Sunday slots – organic consumers are more likely than the average viewer to be watching at these times. The programmes which attract significantly more interest among organic consumers than among viewers in general include drama, biography, music – especially classical, history, arts, news and current affairs. News (watched by 85.8 per cent) and drama (84.6 per cent) are the programme areas that reach most organic consumers. Cable and satellite programming generally tends to attract a lower proportion of organic consumers than of the general population, although for certain channels and certain groups this is different – eg Film Four is very popular with medium organic buyers.

Specific programmes that score significantly higher audiences among organic consumers include:

- News – *Channel Four News* and the *BBC's Six O'Clock* and *Ten O'Clock News*
- Current affairs and factual - *Question Time*, *Newsnight*, *Horizon* and *Panorama*, *Blue Planet*, *What the Victorians Did for Us*
- Food – *Gary Rhodes*, *The Naked Chef*, *Food and Drink*
- Lifestyle – *Home Front*, *Gardeners World*, *Antiques Roadshow*, *Flying Gardener*
- Light entertainment – *University Challenge*, *Parkinson*, *Have I Got News for You*, *Songs of Praise*

The newspapers that have a significantly higher-than-average readership among organic consumers are all the daily broadsheets, the *Mail* and *Mail on Sunday*, the *Sunday Express*, *The Observer* and *Independent on Sunday*. Magazines and periodicals with significantly higher-than-average readership among organic consumers are:

- All the broadsheet and middle-market tabloid Saturday magazines.
- All the supermarket customer magazines.
- Current affairs: *Private Eye*
- Lifestyle: *Country Living*, *Country Life*, *Country Homes and Interiors*, all the main BBC magazine titles (*Good Food*, *Gardeners World*, *Homes and Gardens* etc)
- Women's: *Woman's Weekly*, *Elle*, *Essentials*, *Eve*, *Cosmopolitan*, *Family Circle*, *Glamour*, *Good Housekeeping*, *Marie Claire*, *New Woman*, *Mother & Baby*, *Prima*
- Health: *Men's Health*
- Other: *Empire*, *Readers Digest*, *Saga*.

Organic consumers are less likely to listen to Radio One than most people and more likely to listen to the other four BBC network stations, Classic FM and BBC local radio. By and large they listen to commercial radio less than most people, with the exception of 6pm-midnight on weekdays and on Saturdays between 10am and midday when they listen more. Sixty-two per cent have a PC at home, compared to 60 per cent in the population at large. The internet is accessed at home by 42.7 per cent (compared to a 41.3 per cent norm).

Heavy buyers are much more likely than the average person to watch BBC2 and to enjoy documentaries and programmes featuring news, current affairs, religion, education, classical music, history, biography and the arts. Specific programmes that score unusually highly with them include *Channel Four News*, *Jonathan Dimbleby*, *Property Ladder*, *Great Civilisations*, *Location Location Location* and *Elizabeth*.

In print they are much more likely than most people to read the *Daily Mail*, all four daily and Sunday broadsheets, the *Mail on Sunday* and the *Sunday Express*. They also read the Saturday magazines of the broadsheets in considerably larger numbers than the average. Other magazines for which heavy buyers' reading 'overindexes' considerably against the average:

- *YOU (Mail on Sunday)* and *Life (Observer)*
- Entertainment: *Radio Times*
- Current affairs: *The Economist*, *Private Eye*
- Lifestyle: *Amateur Gardening*, *Country Life*, all the main BBC magazine titles (*Good Food*, *Homes and Gardens* etc)
- Women's: *Elle*, *Eve*, *Family Circle*, *Glamour*, *Good Housekeeping*, *Marie Claire*, *New Woman*, *Red*, *She*, *Vogue*, *Woman and Home*
- Health: *Health and Fitness*, *Top Sante*, *Boots Health and Beauty*, *Zest*
- Other: *New Scientist*.

When it comes to other media, heavy buyers are much-more-frequent-than-average cinema goers, with drama being the genre where they show the most markedly increased level of preference compared to the average. The two films on release at the time of the research which most over-indexed on heavy organic buyers having seen them were *Moulin Rouge* and *Bridget Jones's Diary*. They listen to far more speech (especially BBC Radios Four and Five Live) and classical music radio (Radio 3 and Classic FM) than the norm.

They are less likely than the average listener to listen to commercial radio, except between 9pm and midnight on weekdays and Sundays when they listen more than average. In terms of value for money from advertising spend, radio advertising targeting heavy consumers would therefore be best placed on Classic FM after 9pm.

Nearly two-thirds of heavy consumers – 64.9 per cent – have a PC at home, with 46.9 per cent accessing the internet from home and 31.2 per cent doing so frequently.

Medium buyers share many of the programming tastes of heavy buyers, with greater-than-average viewing of arts, classical music, religious and educational programmes. Unlike heavy buyers they are considerably more likely than average to watch two particular subscription stations – Sky Travel and Film Four.

In print their more-favoured-than-average newspapers are the *Mail*, *Telegraph*, *Times*, *Mail on Sunday* and broadsheet Saturday magazines. Other magazines where there is a marked medium organic consumer 'over-index' on readership:

- *YOU (Mail on Sunday)* and the *Sunday Telegraph* magazine.
- Women's: *Woman's Weekly, Your Life, 19, Cosmopolitan, Just 17, Eve, Elle, Hair, Looks, Marie Claire, Mother & Baby, Practical Parenting, Prima, She, Sugar, Vogue, Woman and Home.*
- Lifestyle: *Amateur Gardener, Country Life*, all the BBC titles especially *Good Food*
- Sport: *Match, Shoot*
- Current affairs: *The Economist, Private Eye*
- Entertainment: *Time Out*
- Other: *Smash Hits, Weight Watchers, Health and Fitness.*

When it comes to radio, medium buyers add sport to classical music and talk as their areas of significantly greater-than-average interest. Again they over-index on listening to all the BBC stations except Radio One, and they have a slightly higher than average tendency to have a PC at home and to access the internet there.

8 General recommendations for companies marketing organic food

This report does not offer simple solutions – a magic marketing formula that can be applied to straightforwardly boost sales. But the TNS research shows that organic businesses have plenty of scope to grow their market by paying attention to a wide range of factors and consumer motivations. Organic sales continue to grow at a healthy rate, and both retailers and producers should feel positive that this can continue into the future if the benefits of organic food and farming are clearly communicated to consumers. The main motivators for the public are taste and health, and there are positive ways in which both these plus factors can be promoted to the consumer.

The following general recommendations for marketing organic food have been compiled on the basis of this research by the Soil Association, in consultation with members of the marketing sub-group of the Welsh Agri-Food Partnership's Organic Strategy Group. Some organic businesses in Wales may feel daunted by the complexity of this piece of research and the multi-faceted nature of its marketing recommendations, but there is plenty of help at hand with marketing through the work of the marketing sub-group and the Soil Association and specific support through the Welsh Development Agency and Organic Centre Wales. Information about marketing support and advice is provided in section 11 at the end of this report.

8.1 Tell the organic story

Consumers need to be given as full a picture as possible about organic food. This research shows that a wide range of factors motivate people to become conscious organic consumers, including food safety, taste, health, the environment and animal welfare. Different motivations will be stronger for different groups of people, so the organic food industry collectively – and

individual companies – need to promote all the key ‘reasons to believe’ to have the best chance of expanding the market and cementing consumer commitment.

Fourteen per cent of those who don’t buy organic products say the reason is not price or availability but the fact that they ‘need more information to justify the cost of organic products’. This suggests that there is the potential to bring new consumers into the market through awareness raising. But if organic food is to sell at a premium then the full value of that premium in terms of health, the environment, animal welfare, taste and other factors needs to be repeatedly communicated.

If this can be achieved, price need not be such a significant barrier. The research shows that a significant minority of heavy 7&8s are DEs in terms of social status, which suggests that there is a significant group of consumers that are not particularly well off but still buy organic food committedly because they appreciate its benefits.

There are many ways companies can ‘tell the organic story’:

- Use simple messages on pack to communicate the benefits. Where there is not space to do this, promote a web address where consumers can read about the benefits in detail. This research found that 54 per cent of heavy organic consumers ‘read the ingredients on pack before buying’ so it is well worth using the label to communicate what makes organic food and/or the product special. The Soil Association plans to develop a dedicated website, whyorganic.org, that provides companies with an appropriate address they can use on pack.
- Communicate the origins of your product on pack, through promotional literature and online. The multi-dimensional mapping done by TNS suggests that after taste, one of the two or three most important motivations driving increased purchase of organic food is ‘I like to know where my food comes from’. Graig Farm and Sainsbury’s, for example, have both used codes on organic products so that consumers can visit a website and find out about the precise farm from which the product originated. The Soil Association has developed a range of free-to-use labels based on flags for licensees to promote the UK/national/regional origin of their products.
- Show the consumer the origins of your product by encouraging visitors onto farms and into factories. This can be done by organising specific farm open days or by opening up selected farms all the year round. The Soil Association is always looking for new farms to join its Organic Farms Network, which has now grown to 45 farms visited by over 300,000 people each year.
- Use the media to get your message across. Advertising may be beyond the budget of smaller companies, but editorial coverage is free (and often more impactful) if you can get journalists interested. Offer newspapers and consumer magazines free product for them to use in giveaways, or provide prizes for competitions (eg a year’s supply of your product or a weekend break at an organic B&B). Use the names and addresses secured through media competitions and promotions for targeted mailings about your product. Do a comparative blind taste test on your product or a consumer poll and publicise

the results to the media (eg x% of people believe school meals should be organic). Organise events like organic Easter egg hunts or Halloween pumpkin parties that will interest the media and the public at particular times of year. Involve celebrities to increase media interest.

- Encourage your employees to join the Soil Association. It has a strong track record in securing high-profile media coverage, including national television and national newspaper front-page splashes, raising questions about non-organic food and promoting the organic alternative. As a charity it has the independence, trust and authority to get through to journalists in a way that company PR often cannot achieve because of the perceived commercial interest. It relies primarily on the funding support of its members to do this kind of work.
- Wear your Soil Association certification status with pride. Among the heaviest consumers, who spend the most money, the certification mark becomes a significant factor in identifying organic food.

8.2 Market and deliver on taste

The difference in taste that many people experience with organic food is an increasingly important motivator in attracting consumers. Marketing should therefore focus more on taste, challenging people to taste the difference and explaining why organic products are likely to have a fuller flavour. When doing product sampling, it is worth doing limited pre-testing to learn which lines are particularly well received by consumers as better tasting so that these lines can be the primary focus of tastings.

The Soil Association chose the theme 'Celebrate great taste' for Organic Week 2003 on the strength of this TNS research, which indicates that 'Organic food tastes better' is the single most important belief driving increased purchase.

It is also important for producers and processors actually to deliver on taste. If consumers have bought fresh produce and experienced better flavour, they may be deterred by mediocre grocery, dairy products and meat when they try buying into other categories.

Market research focus groups conducted by the Soil Association outside the scope of this research project have suggested that as well as being a major motivating factor for buying organic, taste is important as an affirming feelgood factor – people buy organic because they believe it is something different and special, and if it then tastes different that cements their commitment because it suggests organic food really is different, helping to convince them they have made the right decision. Delivering on taste is particularly important for the makers of organic beer, wine and spirits, as these products cannot deliver on health or attract the health conscious in the way other organic lines can.

Major retailers have reported this year that there is a distinct grouping within their organic consumer base of 'organic foodies' – people who are more attracted to good food and good quality than by the health arguments or other motivations. One of the fastest rates of growth in spending on organic food has been among this segment of consumers.

8.3 Hit the consumer hotspots

When you have limited time and/or money to spend on marketing, market research like this can inform careful targeting of spending in order to reach more of the right kind of consumers in greater numbers for your efforts. This particular research provides numerous pointers for this kind of targeting:

- Among light and medium buyers the market shares of different regions of the UK closely reflect those regions' shares in the total food and drink market. Among heavy organic buyers, however, the lion's share of the market is in the South East. If you are promoting a premium-quality organic brand or a category like organic meat where there is considerable reliance on the custom of the most committed heavy buyers, you will get more 'bang for your buck' spending marketing resources in the South East.
- This research has suggested that the real 'organic dabblers' who should be targeted to achieve more sales and develop more committed consumers are not the light consumers (among whom there is likely to be a lot of 'accidental' purchasing and pro-organic motivation is weak) but the Medium 1–3s.
- With 70 per cent of organic sales through three major multiples, leading processors and the Soil Association should consider these multiples their priorities for co-promotions and consumer education work. For a large segment of the organic food-buying public, the potential for a full understanding of what organic means may stand or fall on the efforts made by these leading supermarkets to communicate the benefits of eating organic.
- Learn from the 'cycle of adoption' for different categories of organic food highlighted by this research. Fruit and vegetables tend to be what people buy first, so co-promotions linked to fresh produce will be a good way to entice fresh produce buyers towards purchasing grocery and dairy lines. If you are a fruit and veg producer, most existing organic consumers already buy but you could try developing your consumer base by targeting new parents – the proportion of organic baby food customers who have never bought any other category is 22.3 per cent.
- With loyalty cards of particular interest and relevance to organic consumers as they consider which supermarket to shop in, independent retailers and direct-sales operations might strengthen loyalty and attract more custom by developing their own loyalty schemes.

8.4 Keep it simple

- Medium buyers are often willing to pay more for organic food (36.9 per cent) but their motivations to do so (re animal welfare, environment etc) are comparatively weak. This finding, coupled with what the research reveals in terms of general ignorance among consumers (eg confusion between organic and free-range eggs and between organic and 'natural' products) suggests that companies should keep their messages simple and clear.
- After 'Organic food tastes better', the single most important belief driving increased purchase is 'I trust organic food'. 'Trust' is a word which has been

much used in promoting organic products, not least because all the branded packaging produced by the Soil Association for its licensees features the words 'Food you can trust'. This message may be a simple one, but it clearly resonates with a public that has lost trust in food.

8.5 Highlight health

Health arguments have always been one of the strongest factors in motivating those who choose to eat organic, but advertising claims have often fallen foul of the Advertising Standards Authority's code of practice. It is important, therefore, for the organic sector to research health benefits that can be the subject of scientifically backed claims. The Soil Association is in the process of running a number of such claims and the evidence for them through the ASA's checking service, and this should produce a number of claims which companies can use on pack and in promotional material.

Some other healthy thoughts:

- Consider the name of your product and whether or not it helps create a healthy image that will attract organic consumers. Whether you're Vitalite or The Better Food Company, product and company names can be powerful marketing tools in themselves.
- Target health publications and the health pages of broader publications with advertising, advertorial and product giveaways to get your message across to the most health-conscious consumers.
- Much can be achieved with product positioning in store. Supermarkets often have their organic fixture within or alongside their health and well-being fixture, which can be positive for the profile of both. Ordinary health foods benefit from the premium quality connotation which organic food often creates, while organic foods benefit from the health association.

8.6 Make connections

- Category purchasing patterns from this research suggest four relatively discrete types of purchase which don't necessarily overlap: fruit and vegetables; eggs; meat; and grocery/dairy. This shows the importance of cross-promoting some categories to consumers of other categories, for example special offers on grocery lines printed on the packaging for fresh produce, or dual offers featuring complementary products such as organic milk and organic cornflakes.
- Linking up with a charity can help to raise the profile of products and increase sales if the charity concerned is carefully chosen. Research by the Organic Milk Suppliers Cooperative found that the richness of wildlife on organic dairy farms was a particularly appealing argument for consumers, so links were forged with a wildlife charity. Sainsbury's and Ecover have seen the benefits of enhancing their general environmental credentials and their specific appeal to organic consumers by linking with the Soil Association.

8.7 Use pricing intelligently

Supermarket experience suggests that significantly discounting organic food may boost sales in the short term but does not tend to build a reliable new customer base once the discounted price returns to normal. Organic food costs more to produce, and it is not sustainable to persist with price-driven marketing that makes no attempt to educate the consumer about why production costs are higher and why this represents value for money.

A better way to use discounting is value bulk packs or 'three for two' offers, where a multi-purchase offer attracts new interest but the price of a single unit bought as a single unit remains constant rather than being confusingly and unrealistically eroded. Bulk packs also have the potential to increase 'average weight of purchase' among established organic consumers; AWP growth is the main factor in the growth of organic sales in supermarkets over the past year.

8.8 Feed the fashion

This research has suggested that there may be a significant group of younger heavy buyers in the South East who are buying into organic food because it is fashionable without fully appreciating what it is all about. To sustain the interest of this group, organic food must maintain an aura of popularity and desirability – eating organic must come across as the done thing as well as the right thing to do.

Much can be achieved by using carefully selected celebrities influential with the 16–34 age group to publicise brands and organic food generally, ensuring credibility is achieved with fashion-conscious buyers.

9 Specific recommendations for companies marketing particular categories

9.1 Fruit and vegetables

Taste and health are the most significant factors in drawing new consumers in, so emphasise these in marketing messages. It is difficult to make much mileage out of positive health benefits because of advertising restrictions, but reducing one's exposure to pesticides is a benefit now acknowledged by the Food Standards Agency which can be used to get the health message across.

Use tastings in store to accentuate the taste benefits of organic fruit.

Target new parents with promotions and marketing messages – the birth of a first child is often the trigger for buying organic food for the first time, and 22 per cent of organic baby food buyers have yet to buy any other category.

Only one in four consumers of organic fruit and vegetables makes any connection with the environmental benefits of organic farming, and by raising awareness of this area you can encourage consumers who have started buying for health or taste reasons to increase their purchasing.

9.2 Eggs

The key finding of this research for those promoting organic eggs is consumer confusion between organic and free range. Some consumers will not be aware that organic eggs are free range, so this should be communicated on pack. Others will assume that all free range eggs are organic. It is worth labelling all organic eggs 'organic free range eggs' and communicating that this offers consumers 'the best of both worlds' – ie high animal welfare (free range) and reassurance on the health front (more natural diet, no routine antibiotics).

Easter offers a great opportunity to educate consumers by staging Easter egg hunts on organic farms. This generates coverage in local media of what organic farming is all about and brings consumers to the farm to see organic production firsthand in the context of a fun family experience.

Vegetarians are found in far greater numbers among organic consumers than in the general population and are an important group to target for the promotion of organic eggs. Heavy 5 consumers have the highest concentration of vegetarians of any single organic consumer segment and Heavy 5s also account for more spending on organic eggs than any other consumer segment.

9.3 Dairy products

Fruit and vegetables are the main point of entry into buying organic food, and almost all dairy product consumers (90 per cent) also buy organic fruit and vegetables. This suggests that promotions targeting fresh produce consumers (eg money-off vouchers in supermarket bags of apples) should work well in promoting organic dairy products.

This research indicates that quality is a key driver in persuading people to spend more on organic dairy products, so this is not a category where cheap, 'non-organic look-alike' products will serve manufacturers well. Good-tasting products and branding/packaging with a quality feel are what is needed to grow the market.

9.4 Meat

Very few people buy organic meat as a first organic purchase, so don't waste resources on promoting meat to light consumers. Instead target medium buyers who have already bought into more than one organic category – eg consumers of organic dairy products, grocery products or eggs. Egg buyers are a particularly good group to target because they have a higher proportion of shoppers motivated by animal welfare than any other organic category.

As consumers tend to latch on to organic packaged foods and prepared foods before meat, develop organic meat-based ready-prepared meals and other products that bridge between these two categories.

Over a third of organic meat sales are down to Heavy 7&8s, and over 86 per cent of spending by Heavy 7&8s is in Tesco, Waitrose or Sainsbury's. It is therefore extremely important for producers to work as closely as possible with these leading multiples to achieve good eating quality and continuity of supply.

9.5 Grocery, fruit juice and soft drinks

As with dairy products, it is well worth targeting consumers of organic fruit and vegetables with marketing messages about these products. Ninety-five per cent of organic grocery consumers and 96 per cent of those buying organic fruit juice and soft drinks also buy organic fruit and vegetables.

Grocery is the category for which the organic sector has most to do in educating consumers about the benefits of choosing the organic option, as 19 per cent of organic grocery purchasers give 'None' as the reason for buying – significantly more than for any of the other categories. Taste and food safety are the factors that are most influential in turning people into more committed consumers of organic grocery products, and communicating the restriction of additives in organic food processing is important here. This is a specific food safety benefit relating to processed foods. If the exclusion of artificial colours, flavours etc became as synonymous with processed organic products as restriction of pesticides is with fresh produce, it could give a tremendous boost to sales.

10 Specific recommendations for companies marketing Welsh organic food

Most of the general marketing recommendations in this report apply to companies in Wales as much as those anywhere else. The most important additional point to make relates to Welsh origin and where it does and does not add value in marketing.

Although the Welshness of an organic product is a real marketing plus point within Wales, this makes comparatively little impact on consumers elsewhere in the UK – with the exception of south west England. For nearly all consumers outside Wales, it is more motivating to be able to buy British than anything else. This is not to say that food identified strongly as Welsh will be a turn-off – only a tiny fraction of consumers would be less likely to buy a product if it were Welsh. But Welsh branded food will not be a turn-on in the same way as 'British' food can be.

This research suggests that products marketed outside Wales should be clearly identified first and foremost as British. This conflicts, of course, with successful marketing within Wales for which Welsh branding and identity are important. Producers and processors should consider differential branding, perhaps using additional stick-on labels or entirely separate packaging to emphasise Britishness in marketing outside Wales.

11 Marketing support for Welsh organic businesses

The recent years have been a challenging time for organic food marketing in Wales but overall the market for organic products has remained strong and continues to expand. In many ways Wales has led the way with a network of organisations providing support. This network is now developing a marketing strategy which embraces trade development, public procurement of organic produce, food culture and food tourism in Wales.

11.1 Organic Strategy Group

The **Organic Strategy Group** was formed in March 1999, one of four strategy groups and four regional groups forming the Welsh Agri Food Partnership, which are responsible for steering the implementation of the sector action plans. The Organic Strategy Group established a **Marketing Sub-Group** which is an industry body and it brings a wide business perspective to market strategy.

11.2 Business Support

The **Welsh Development Agency** continues to make an important contribution to developing the marketing of organic food and has provided support for organic producers and processors for more than a decade. Support is available to organic businesses in Wales in various forms, including grants, promotional activities, awards and research.

Specialist Agri-Food teams are able to assist in any of the following areas:

- Processing and marketing grants schemes and other alternative sources of funding.
- Business support, specialist consultancy advice and assistance with premises.
- Signposting to food centres for product development, R and D and product testing.
- Branding advice and the support of the True Taste awards.
- Trade development activity to promote sales within the UK and overseas through a strong presence at key consumer and trade events and through working with multiple retailers.
- Funding for Wales Farmers Markets Association and food festivals as part of the WDA Food Culture programme.

For information and advice in any of these areas and for additional detail on the activity Marketing Sub-Group please contact Huw Thomas at the WDA on 02920 828946 / 07901 716896.

11.3 Producer Support

Organic Centre Wales was set up in July 2000 to act as a focal point for the dissemination of information on organic farming in Wales. The Centre, funded by the Welsh Assembly Government, is based at the University of Wales, Aberystwyth (UWA) and is run jointly by ADAS Wales, Elm Farm Research Centre, the Institute of Grassland and Environmental Research (IGER), the Institute of Rural Sciences (at UWA) and the Soil Association.

In its first phase (2000-2003), OCW focused primarily on meeting the needs of producers, particularly those converting to organic farming, by providing a helpline, training, advice, extension via demonstration farms, and other information sources and by collating information on research and research needs, making it available through the website and bilingual publications. OCW also responded to policy consultations on behalf of the Organic Strategy Group.

In 2003 its contract was renewed for another three years and broadened to extend its provision of information from meeting the needs of producers to the whole supply chain, including market intelligence, public procurement and public education.

Organic Centre Wales services the whole organic sector by.

- Providing information for producers through the Organic Helpline on 01970 622100 or by e-mail to organic-helpline@aber.ac.uk. Technical and general information is also available on the website at www.organic.aber.ac.uk
- Providing high quality advice to organic farmers in Wales.
- Running conferences, seminars and one-day courses at venues around Wales for farmers and other producers on technical aspects of organic systems.
- Co-ordinates a network of demonstration farms and discussion groups around Wales as part of Farming Connect.
- Working closely with the WDA to develop organic marketing opportunities in Wales, particularly in the area of market intelligence. Regular bulletins and reports are available from OCW.
- Developing leaflets and webpages to help consumers learn more about organic food and how to buy it.
- Supporting the strategic development of the organic community by providing policy and research advice to the Welsh Assembly Government and other statutory bodies and interested parties.

11.4 Certification

There are 8 certification bodies covering Wales of which two are non profit making (the Soil Association and Demeter). The certification bodies are:

- Organic Farmers and Growers Ltd (OF&G) – UK2
- The Organic Food Federation (OFF) – UK4
- Soil Association Certification (SA Cert) – UK5
- Demeter (BDAA) – UK 6
- CMi Certification – UK10
- FVO - Farm Verified Organic – UK11
- Quality Welsh Food Certification – UK13
- SGS United Kingdom Ltd – UK14

11.5 Education and Information

The **Soil Association** is the UK's leading campaigning and certification organisation for organic food and farming. It supports marketing in the organic sector by raising public awareness about organic farming and promoting the benefits of

organic food. Details of the wide variety of services it provides are available on its website www.soilassociation.org or by telephoning 0117 929 0661.

The Soil Association also supports marketing in the organic sector by raising public awareness about organic farming and promoting the benefits of organic food in a number of ways:

- An informative website visited by around 50,000 people each month and an information team dealing with 20,000 consumer enquiries each year.
- A members' magazine, Living Earth, with a readership of 50,000 and a comprehensive where-to-buy guide, The Organic Directory.
- Publication of the annual Organic Food and Farming Report, a comprehensive assessment of the state of the UK organic market which communicates sector needs to policy makers and enables organic businesses to identify production, processing and marketing opportunities and consumer trends.
- Support and advice for independent and multiple retailers in developing material to promote the benefits of eating organic food to consumers.
- Periodic joint promotional activities involving organic businesses, eg the Organic Taste Experience roadshow and money-off voucher booklets.
- Organisation of Organic Week (annual promotional event across the UK) and the Organic Food Festival (fair, market, lectures and tastings attracting over 20,000 visitors to Bristol's harbourside).
- Development of curriculum-linked schools materials including teachers' packs, the Little Book of Organic Farming and a new video for primary-age children.

For information on the Organic Farms Network and schools materials, contact Rupert Aker on 0117 914 2422.

For information on joint promotional activities, Organic Week or advice on marketing, contact Tom de Pass on 0117 987 4582.

11.6 Taste Awards

- The True Taste/Gwir Flas Wales Food and Drink awards were officially launched in 2002, designed to celebrate some of the food and drink industry's most inspiring techniques and tastes. The awards have been devised specifically to reward all those involved in the industry in Wales – literally from plough to plate. Further information is available at www.walesthetruetaste.com or by contacting Rosie Jones at the WDA on 02920 828991.
- Now in their 17th year, the Soil Association Organic Food Awards recognise and celebrate the very best of produce and enterprise at the forefront of the UK organic food industry. For more information contact Dom Lane on 0117 9142451.

12 Contacts

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